

Imaging Solutions

Business Fields

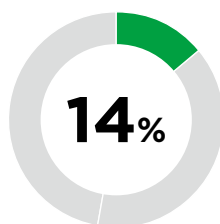


Photo Imaging

Develops photo-related products and services, ranging from photo-taking to printing

Optical Device and Electronic Imaging

Provides products such as the *X Series* of digital cameras, interchangeable lenses, and TV lenses

Performance Summary of FY2016/3

In the Imaging Solutions segment, consolidated revenue amounted to ¥353.3 billion, down 2.1% from the previous fiscal year. This was due to a decrease in sales in the optical device and electronic imaging business in line with a contraction of the compact digital camera lineup, despite an increase in sales in the photo imaging business. Consolidated operating income amounted to ¥32.2 billion, up 55.5% from the previous fiscal year, reflecting an increase in profit due to growth in revenues in the photo imaging business.

Reasons for Change in Revenue from FY2015/3 to FY2016/3

Increases ↗

- Sales of instant photo systems such as the *instax* series and *instax* films increased substantially, especially in the United States and Europe
- Sales in the photo imaging business as a whole increased due mainly to growth in high-value-added printing businesses including the *Year Album* service and the *Shuffle Print* service
- Sales of the *X Series* were strong due to sales expansion in the Asian region

Decreases ↘

- Sales volume decreased due to a contraction of the product lineup of compact digital cameras as a result of the shift to high-end models
- Sales of camera modules for use in smartphones significantly decreased

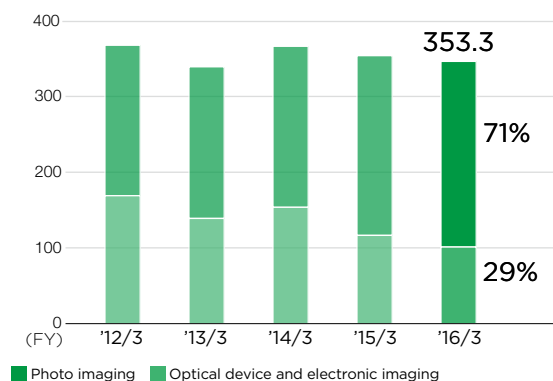
Reasons for Change in Operating Income from FY2015/3 to FY2016/3

Increases ↗

- Sales of instant photo systems were strong
- Profitability improved in the electronic imaging field, reflecting the further shift to such high-end digital camera models as the *X Series*

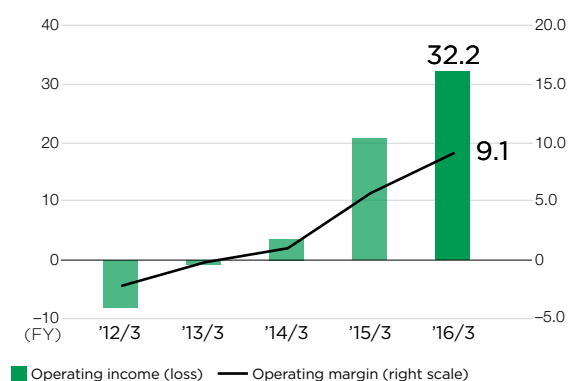
Revenue

Billions of yen



Operating income (loss) / Operating margin

Billions of yen



	Billions of yen				
FY	'12/3	'13/3	'14/3	'15/3	'16/3
Revenue	¥375.0	¥346.0	¥373.6	¥361.0	¥353.3
Operating income (loss)	(8.1)	(0.8)	3.6	20.7	32.2
Total assets	327.4	327.3	322.1	322.3	315.4
Depreciation	14.6	13.3	13.5	11.1	12.9
Capital expenditures	12.9	9.8	9.3	7.9	10.1

Photo Imaging

Revenue **¥249.9 billion**

Compared with previous fiscal year: **+3.9%** ↗



instax mini 70

Principal Products and Services

- Color paper and chemicals
 - Photographic paper for color prints
 - Photofinishing chemicals
- Photofinishing equipment
 - Minilabs
 - Thermal photo printers
- Labs and photo printing services
 - High-value-added printing business such as *Photobook* / photo printing services
- Instant photo systems

Performance Highlights and Major Initiatives

- Sales of instant photo systems such as the *instax* series and various designs of *instax* films increased substantially, especially in the United States and Europe
- Strengthened the instant camera product lineup by offering new products including the *instax mini HELLO KITTY 2016 limited edition <red>* and the *instax mini 70* that features versatile shooting modes, vivid color prints, and a modern and simple design
- Sales also increased as a result of expansion in the high-value-added printing business. This included the *Year Album* service, which can select good photographs and arrange them automatically, and the *Shuffle Print* service, which can summarize photo data and print it on a single sheet

Optical Device and Electronic Imaging

Revenue **¥103.4 billion**

Compared with previous fiscal year: **-14.2%** ↘



FUJIFILM X-Pro2

Principal Products and Services

- *X Series* digital cameras
- Interchangeable lenses for digital cameras
- TV lenses, cine lenses
- Security lenses
- Projector lenses



FUJINON UA107x8.4

Performance Highlights and Major Initiatives

Electronic Imaging Field

- Sales volume and sales decreased due to the contraction of product lineup of compact digital cameras as a result of the shift to high-end models
- Sales of the *X Series* were strong. In addition to the development of new products such as the mirrorless digital camera *FUJIFILM X-T10*, which realizes outstanding image quality and comfortable operability with a compact and lightweight body, and *FUJIFILM X-Pro2*, a flagship model

that realizes the best image quality and comfortable operability, robust sales reflected sales expansion in Asian region

Optical Device Field

- Sales of camera modules for use in smartphones significantly decreased
- The Company tries to expand global market share of broadcast zoom lenses, especially of those products for use with 4K cameras, which were launched ahead of its competitors

COLUMN

Business Activities Based on the Medium-Term CSR Plan: Sustainable Value Plan 2016 (SVP2016)

→ Please refer to page 47 (SVP2016).

Fostering Communications through Photographs

As a part of continued efforts since its foundation to spread and develop the culture of photography, the Fujifilm Group has been working to convey the true value and enjoyment of photography: shooting, preserving, displaying and gifting since 2013, based on the concept of enriching people's lives through photography. In February 2014, we opened WONDER PHOTO SHOP in Harajuku, Tokyo, as a new direct

marketing initiative in the age of smartphones. In the ensuing period, we have rolled out additional shops in Asia and Europe. Through these activities, we are working to increase the use of *instax* products, expand the *Year Album* and other service of the high-value-added printing business, and pursue every possibility and new ways to enjoy photography.



WONDER PHOTO SHOP