

# Earnings of FY2018/3

## FUJIFILM Holdings Corporation

May 18, 2018

### FORWARD-LOOKING STATEMENTS

Forward-looking statements, such as those relating to earnings forecasts and other projections contained in this material, are management's current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties, and other factors. Accordingly, actual results may differ materially from those projected due to various factors.

### Performance Summary of FY2018/3

**FUJIFILM**

## Consolidated Performance for FY2018/3 (Apr. 2017 – Mar. 2018)

(Billions of yen)

	FY2017/3	FY2018/3	Change	Influence of exchange rate	Constant-currency basis
Revenue	2,322.2 100.0%	2,433.4 100.0%	111.2 +4.8%	55.2	56.0 +2.4%
Operating income excluding one-time expenses	176.4 7.6%	200.7 8.2%	24.3 +13.8%	15.8	8.5 +4.8%
One-time expenses including structural reform expenses	4.1	70.0	65.9	0.0	65.9
Operating Income	172.3 7.4%	130.7 5.4%	(41.6) -24.1%	15.8	(57.4) -33.3%
Income before Income Taxes	194.8 8.4%	197.8 8.1%	3.0 +1.6%	10.2	(7.2) -3.7%
Net Income Attributable to FUJIFILM Holdings	131.5 5.7%	140.7 5.8%	9.2 +7.0%	7.0	2.2 +1.6%
Net Income Attributable to FUJIFILM Holdings per Share	¥296.27	¥322.62	¥26.35		
ROE	6.5%	6.8%	+0.3%		
Exchange Rates US\$/¥	¥108	¥111	¥3		
Exchange Rates €/¥	¥119	¥130	¥11		

<Other factors of change (YoY) >  
 Operating income  
 --- Raw material prices: -¥6.9 billion

## Consolidated Revenue and Operating Income by Segment

(Billions of yen)

Revenue	Full Year		Change		Influence of exchange rate	Constant-currency basis	
	FY2017/3	FY2018/3					
Imaging Solutions	341.8	383.0	41.2	(+12.1%)	14.1	27.1	(+7.9%)
Healthcare	384.0	443.0	59.0	(+15.3%)	8.9	50.1	(+13.0%)
Healthcare & Material Solutions	899.5	1,002.6	103.1	(+11.5%)	20.3	82.8	(+9.2%)
Document Solutions	1,080.9	1,047.8	(33.1)	(-3.1%)	20.8	(53.9)	(-5.0%)
Total	2,322.2	2,433.4	111.2	(+4.8%)	55.2	56.0	(+2.4%)

Note: After elimination of intersegment transactions.

(Billions of yen)

Operating Income	Full Year		Change		Influence of exchange rate	Constant-currency basis	
	FY2017/3	FY2018/3					
Imaging Solutions	36.8	56.0	19.2	(+52.0%)	6.4	12.8	(+34.7%)
Healthcare	12.4	20.7	8.3	(+67.0%)	3.8	4.5	(+36.4%)
Healthcare & Material Solutions	83.0	92.8	9.8	(+11.8%)	6.2	3.6	(+4.3%)
Operating income excluding one-time expenses	82.7	84.0	1.3	(+1.6%)	3.3	(2.0)	(-2.4%)
Document Solutions	82.7	14.0	(68.7)	(-83.1%)	3.3	(72.0)	(-87.1%)
Corporate Expenses & Eliminations	(30.2)	(32.1)	(1.9)		(0.1)	(1.8)	
Total	172.3	130.7	(41.6)	(-24.1%)	15.8	(57.4)	(-33.3%)

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## Summary by Operating Segment

(Billions of yen)

### Imaging Solutions

Revenue	YoY	Operating income	YoY
383.0	41.2 (+12.1%)	56.0	19.2 (+52.0%)

- In the photo imaging business, sales were strong, particularly in Europe and the U.S., for instant photo systems such as the *instax* series and *instax* films. The sales volume of *instax* series totaled 7.7 million units, exceeding the previous target of 7.5 million units. *Wall Decor*, *Photobook* and other value-added printing businesses also enjoyed solid sales.
- In the electronic imaging business, revenue significantly increased on strong sales of the X Series of mirrorless digital cameras, including the *FUJIFILM X-A5*, which was launched in February 2018, *FUJIFILM X-H1*, which was launched in March 2018, and the *FUJIFILM GFX 50S*, a medium format mirrorless digital camera equipped with a large sized sensor, as well as their accompanying interchangeable lenses.
- In the optical device business, sales increased, reflecting the strong sales of various industrial use lenses and *MK lenses*, a series of cinema camera lenses. Its profitability largely improved.

**Sales increased and operating income significantly increased due to the significant rise in electronic imaging sales combined with strong sales in other businesses.**

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## Summary by Operating Segment

(Billions of yen)

### Healthcare & Material Solutions

Revenue	YoY		Operating income	YoY	
1002.6	103.1	(+11.5%)	92.8	9.8	(+11.8%)

- In the healthcare business field, medical systems business enjoyed brisk sales in all areas such as In-vitro Diagnostic (IVD) systems and medical IT. In the pharmaceutical business, Fujifilm is steadily moving forward with development of our pipelines where we have started Phase I clinical trials for *FF-10832* in the U.S. in May 2018. Fujifilm decided to make TOYAMA CHEMICAL a wholly-owned subsidiary and to merge the company with FUJIFILM RI Pharma Co., Ltd., as of October 2018 to accelerate the development of new diagnostic and therapeutic drugs.
- As for the highly functional materials business field, though the sales of TAC products decreased due to inventory adjustments, sales of new business fields related to OLED and others were strong in the display materials business. In the electronic materials business, sales increased mainly for advanced products of photo resists and peripheral materials related to photolithography.
- In the recording media business, sales decreased due to the inventory adjustment of magnetic tape for data storage. In the graphic systems business, sales decreased due to a decline in total demand for graphic arts film and CTP plates. Sales have been solid in the inkjet business with strong sales of inks and industrial inkjet printheads.

Sales and operating income increased due to strong sales of medical systems, electronic materials, and improved profitability in each business.

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## Summary by Operating Segment

(Billions of yen)

### Document Solutions

Revenue	YoY		Operating income	YoY	
1,047.8	(33.1)	(-3.1%)	14.0	(68.7)	(-83.1%)

- In the office products business sales of multifunction devices decreased in Japan and Oceania, but were positive in China and export shipments to the U.S. and Europe, so that overall sales units increased from the previous year. In the office printer business, the sales units decreased due to the reduction of low-profit office printer business.
- In the production services business, though the overall number of sales units decreased, the sales were strong for high-speed and high-quality on-demand color publishing printer, which was released in November 2017. In February 2018, Fuji Xerox updated the entire lineup of high-speed monochrome production printers to expand sales.
- In the solutions and services business, though Fuji Xerox performed well in the sales of business-specific solutions, such as design drawings management solution, and achieved steady sales for existing BPO (Business Process Outsourcing) contracts, the sales decreased due to the changes in accounting method.

Revenue decreased due to reduction of low-profit low-end office printer business, though the export shipments to the U.S. and Europe, and the sales in China were positive.  
One-time expenses including structural reform expenses lowered income.

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# Consolidated Balance Sheet

(Billions of yen)

	Mar.16	Mar.17	Mar.18	Change from Mar.17		Mar.16	Mar.17	Mar.18	Change from Mar.17
Cash and cash equivalents	600.9	876.0	768.2	(107.8)	Short-term and long-term debt	365.7	558.8	454.2	(104.6)
Notes and accounts receivable	643.6	635.8	619.1	(16.7)	Notes and accounts payable	257.1	257.9	248.5	(9.4)
Inventories	349.2	339.2	361.3	22.1	Other liabilities	457.2	448.4	491.5	43.1
Other current assets	172.6	183.8	112.2	(71.6)	Total liabilities	1,080.0	1,265.1	1,194.2	(70.9)
Total current assets	1,766.3	2,034.8	1,860.8	(174.0)	Total FUJIFILM Holdings shareholders' equity	2,014.8	2,043.6	2,079.1	35.5
Property, plant and equipment	532.6	520.6	537.5	16.9	Noncontrolling interests	217.2	224.5	219.6	(4.9)
Goodwill, net	506.9	499.8	591.6	91.8	Total equity	2,232.0	2,268.1	2,298.7	30.6
Investment securities and other	506.2	478.0	503.0	25.0	Total liabilities and equity	3,312.0	3,533.2	3,492.9	(40.3)
Total noncurrent assets	1,545.7	1,498.4	1,632.1	133.7					
Total assets	3,312.0	3,533.2	3,492.9	(40.3)					

Exchange Rates	Mar.16	Mar.17	Mar.18	Change from Mar.17
US\$/¥	¥113	¥112	¥106	(¥6)
€/¥	¥128	¥120	¥131	¥11

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# Cash Flows

(Billions of yen)

- C/F from operating activities
- C/F from investing activities
- Free cash flows (without acquisitions of businesses)

(Billions of yen)



	FY2016/3	FY2017/3	FY2018/3
Net income	133.5	147.2	144.2
Depreciation & amortization	125.0	117.6	127.6
Change in notes and accounts receivable	(20.1)	3.4	41.3
Change in inventories	5.8	4.9	(7.5)
Change in notes and accounts payable-trade	1.7	5.7	(20.0)
Others	(22.4)	9.8	(24.4)
C/F from operating activities	223.5	288.6	261.2
Capital expenditure	(63.8)	(74.6)	(63.0)
Purchases of software	(22.3)	(22.3)	(18.5)
Sales and purchases of marketable and investment securities	14.2	5.1	108.9
Acquisitions of businesses	(36.7)	(1.3)	(127.3)
Others	(48.7)	(23.3)	(11.9)
C/F from investing activities	(157.3)	(116.4)	(111.8)
Free cash flows	66.2	172.2	149.4

Free cash flows without acquisitions of businesses	102.9	173.5	276.7
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# Structural Reform of Fuji Xerox

Structural reforms, including personnel reductions of 10,000 people domestically and abroad.  
Benefit from cost reductions is expected to be 55.0 billion yen per year from FY2020/3.  
Establish business base in new growth areas.

Previous forecast	FY2018/3	FY2019/3	From FY2020/3
Structural reform expenses etc.	¥49.0 billion (2H) ¥57.0 billion (Full year)	¥17.0 billion	¥6.0 billion
Benefit	-	¥25.0 billion	¥50.0 billion

Actual forecast (May 18)	FY2018/3	FY2019/3	From FY2020/3
Structural reform expenses etc.	¥70.0 billion (Full year)	¥25.0 billion	¥6.0 billion
Benefit	-	¥27.0 billion	¥55.0 billion
Personnel reduction	3,000 people	4,000 people	3,000 people

## Earnings of FY2018/3

# Forecast for FY2019/3

May 18, 2018

### FORWARD-LOOKING STATEMENTS

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## Consolidated Financial Forecast for FY2019/3 (as of May 18, 2018)

(Billions of yen)

	FY2018/3	FY2019/3	Change from previous year
Revenue	2,433.4 100.0%	2,510.0 100.0%	76.6 +3.1%
Operating Income	130.7 5.4%	200.0 8.0%	69.3 +53.0%
Income before Income Taxes	197.8 8.1%	205.0 8.2%	7.2 +3.6%
Net Income Attributable to FUJIFILM Holdings	140.7 5.8%	130.0 5.2%	(10.7) -7.6%
Net Income Attributable to FUJIFILM Holdings per Share	¥322.62	¥302.16	(¥20.46)
ROE	6.8%	6.2%	-0.6%
Exchange Rates US\$/¥	¥111	¥110	(¥1)
€¥	¥130	¥130	-
Silver Price (kg)	¥61,000	¥62,000	¥1,000

	FY2018/3	FY2019/3
Operating income excluding one-time expenses	200.7	225.0
One-time expenses including structural reform expenses	70.0	25.0
Operating income	130.7	200.0

Note: Impact of exchange rates movements on operating income (FY2019/3 full year) US\$/¥: ¥0.8 billion €/¥: ¥0.8 billion

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## Consolidated Financial Forecast for FY2019/3 by Segment (as of May 18, 2018)

(Billions of yen)

Revenue	FY2018/3	FY2019/3	Change from previous year
Imaging Solutions	383.0	400.0	17.0 (+4.4%)
Healthcare	443.0	475.0	32.0 (+7.2%)
Healthcare & Material Solutions	1,002.6	1,060.0	57.4 (+5.7%)
Document Solutions	1,047.8	1,050.0	2.2 (+0.2%)
Total	2,433.4	2,510.0	76.6 (+3.1%)

Note: After elimination of intersegment transaction.

Operating Income	FY2018/3	FY2019/3	Change from previous year
Imaging Solutions	56.0	60.0	4.0 (+7.1%)
Healthcare	20.7	21.0	0.3 (+1.4%)
Healthcare & Material Solutions	92.8	91.0	(1.8) (-1.9%)
Document Solutions	14.0	82.0	68.0 (5.9 times)
Corporate Expenses & Eliminations	(32.1)	(33.0)	(0.9)
Total	130.7	200.0	69.3 (+53.0%)

	FY2018/3	FY2019/3
Operating income excluding one-time expenses	84.0	107.0
One-time expenses including structural reform expenses	70.0	25.0
Operating income	14.0	82.0

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## Consolidated Financial Forecast for FY2019/3 : Main Points

### Imaging Solutions

In photo imaging business, Fujifilm aims increase its income further, by expanding the sales of instant photo systems including instant camera *instax* and *instax* films in emerging countries in addition to Europe and the U.S.

Optical device and electronic imaging business will seek to enhance profitability by placing a greater focus on products of high added value, such as fast-growing high-end mirrorless cameras and 4K ,8K-compatible broadcast camera lenses.

### Healthcare & Material Solutions

In medical systems business, Fujifilm seeks to expand sales in medical IT, endoscopes, ultrasound and In-vitro Diagnostics (IVD). The bio CDMO business will strengthen its development and production structures.

In electronic materials business, the sales of advanced peripheral materials related to photolithography will be accelerated.

Continued efforts will be made to enhance profitability in businesses such as graphic systems and industrial products business.

### Document Solutions

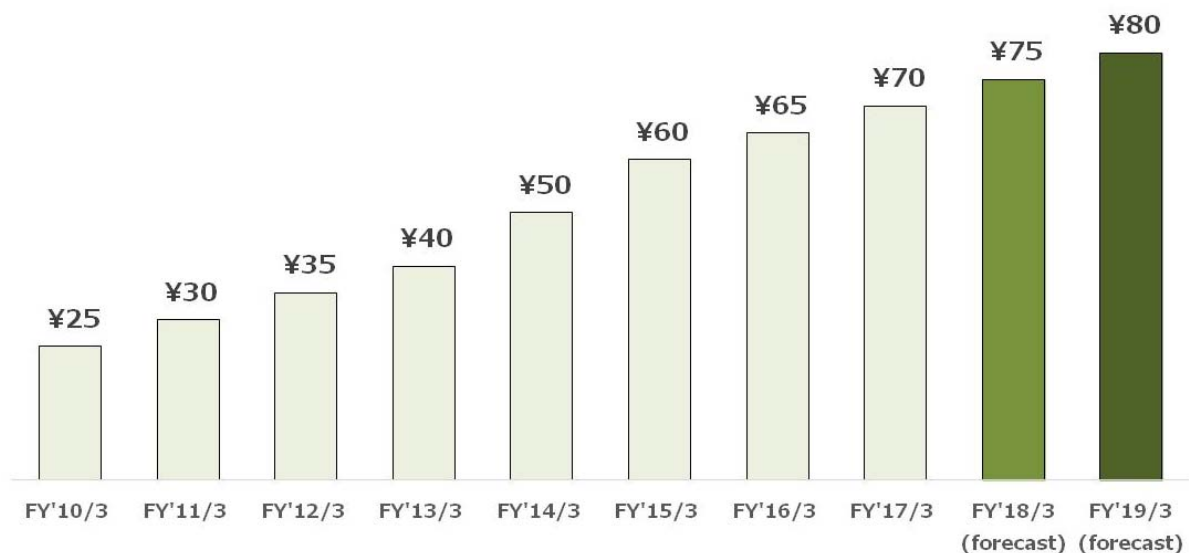
Aiming sales growth by providing the new services under the *Smart Work Innovation* initiative utilizing unique AI, IoT and IoH technologies, and by enhancing the product lineup. Improvement of productivity utilizing Robotic Process Automation and structural reform initiatives will be further promoted to improve profitability.

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## Shareholder Returns

### Dividend

Dividend for FY2019/3 is planned at ¥80 per share, increased by ¥5 from the previous fiscal year. The dividend increase is expected for 9 consecutive years.



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Earnings for FY2018/3

## Activities for Strengthening of Governance

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Earnings for FY2018/3

FUJIFILM

## Activities for Strengthening of Governance

➤ Newly elected a female candidate for Outside Director

➤ Decided to establish the Nomination and Compensation Committee (voluntary)

Improving transparency in management decision-making and enhancing discussions of the Board of Directors by further proactive use of Outside Directors.

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# FUJIFILM

## Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.

Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

### **FUJIFILM Holdings Corporation**

Corporate Communication Office, Corporate Planning Div.

<http://www.fujifilmholdings.com/en/index.html>

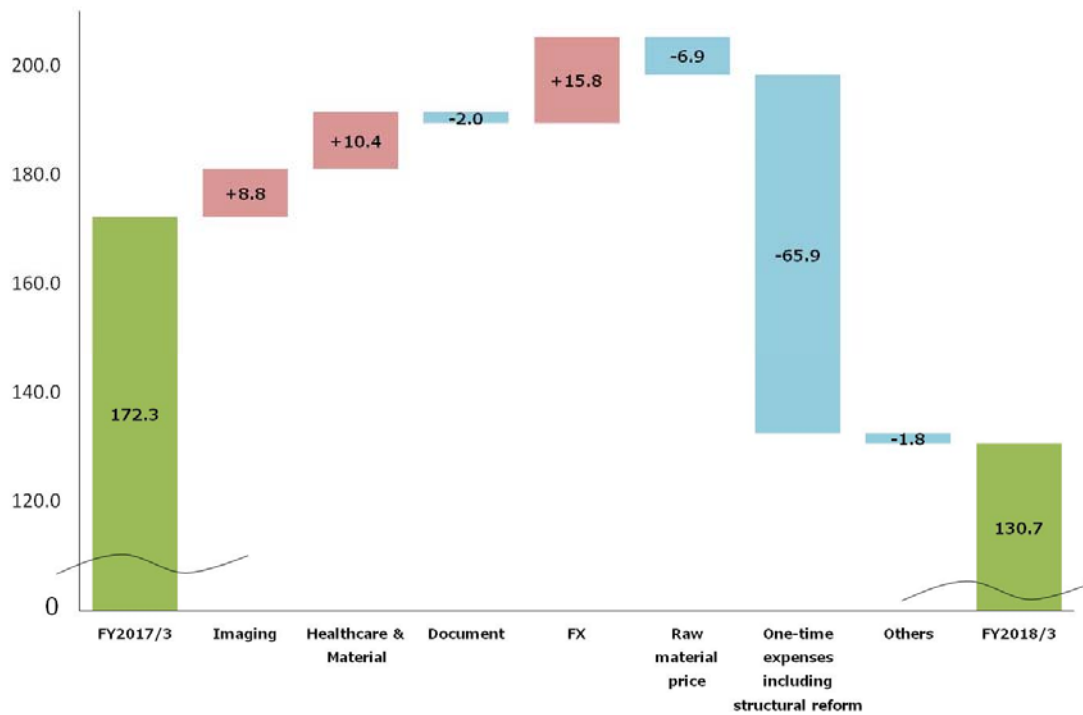
Earnings for FY2018/3

Appendix

# Analysis of Operating Income Change

(Full year, against FY2017/3)

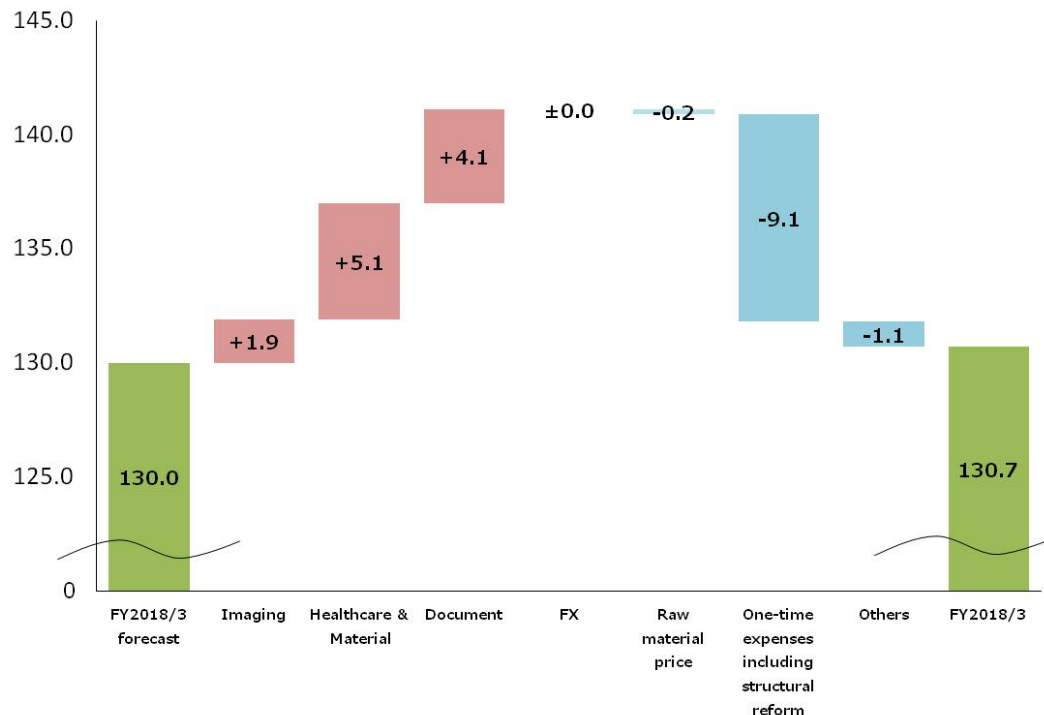
(Billions of yen)



# Analysis of Operating Income Change

(Full year, against FY2018/3 business forecast)

(Billions of yen)



# Earnings for FY2018/3 4Q/Full Year

(Billions of yen)

	FY2017/3 4Q	FY2018/3 4Q	Change	FY2017/3	FY2018/3	Change
Revenue	629.9 100.0%	623.7 100.0%	(6.2) -1.0%	2,322.2 100.0%	2,433.4 100.0%	111.2 +4.8%
Operating income excluding one-time expenses	54.0 8.6%	55.5 8.9%	1.5 +2.8%	176.4 7.6%	200.7 8.2%	24.3 +13.8%
One-time expenses including structural reform expenses	0.0	53.4	53.4	4.1	70.0	65.9
Operating Income	54.0 8.6%	2.1 0.3%	(51.9) -96.1%	172.3 7.4%	130.7 5.4%	(41.6) -24.1%
Income before Income Taxes	64.3 10.2%	23.3 3.7%	(41.0) -63.8%	194.8 8.4%	197.8 8.1%	3.0 +1.6%
Net Income Attributable to FUJIFILM Holdings	52.8 8.4%	16.2 2.6%	(36.6) -69.3%	131.5 5.7%	140.7 5.8%	9.2 +7.0%
Exchange Rates	US\$/ ¥114	US\$/ ¥108	(¥6)	US\$/ ¥108	US\$/ ¥111	(¥3)
	€/¥ ¥121	€/¥ ¥133	¥12	€/¥ ¥119	€/¥ ¥130	¥11

<Other factors of change (4Q/Full year YoY) >

Operating income --- Raw material prices: -¥1.6 billion / -¥6.9 billion

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# Earnings for FY2018/3 4Q/Full Year

(Billions of yen)

Revenue	4Q			Full Year		
	FY2017/3	FY2018/3	Change	FY2017/3	FY2018/3	Change
Imaging Solutions	84.3	85.3	1.0 (+1.2%)	341.8	383.0	41.2 (+12.1%)
Healthcare	123.4	133.9	10.5 (+8.4%)	384.0	443.0	59.0 (+15.3%)
Healthcare & Material Solutions	257.1	274.3	17.2 (+6.7%)	899.5	1,002.6	103.1 (+11.5%)
Document Solutions	288.5	264.1	(24.4) (-8.5%)	1,080.9	1,047.8	(33.1) (-3.1%)
Total	629.9	623.7	(6.2) (-1.0%)	2,322.2	2,433.4	111.2 (+4.8%)

Note: After elimination of intersegment transactions.

(Billions of yen)

Operating Income [Operating Margin]	4Q			Full Year		
	FY2017/3	FY2018/3	Change	FY2017/3	FY2018/3	Change
Imaging Solutions	8.4 [9.9%]	6.0 [7.0%]	(2.4) (-29.0%)	36.8 [10.7%]	56.0 [14.5%]	19.2 (+52.0%)
Healthcare	11.0 [8.9%]	13.3 [9.9%]	2.3 (+21.0%)	12.4 [3.2%]	20.7 [4.7%]	8.3 (+67.0%)
Healthcare & Material Solutions	27.3 [10.6%]	31.6 [11.5%]	4.3 (+15.9%)	83.0 [9.2%]	92.8 [9.2%]	9.8 (+11.8%)
Operating income excluding one-time expenses	26.1 [9.0%]	26.9 [10.2%]	0.8 (+3.1%)	82.7 [7.6%]	84.0 [8.0%]	1.3 (+1.6%)
Document Solutions	26.1 [9.0%]	(26.5) -	(52.6)	82.7 [7.6%]	14.0 [1.3%]	(68.7) (-83.1%)
Corporate Expenses & Eliminations	(7.8)	(9.0)	(1.2)	(30.2)	(32.1)	(1.9)
Total	54.0 [8.6%]	2.1 [0.3%]	(51.9) (-96.1%)	172.3 [7.4%]	130.7 [5.4%]	(41.6) (-24.1%)

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## FY2018/3 4Q (3 Months) Performance by Segment

### ■ Imaging Solutions

- In the photo imaging business, sales were strong for instant photo systems such as the *instax* series and *instax* films especially in Europe and the U.S.
- In the electronic imaging business, sales of *X Series* digital cameras have been favorable including *FUJIFILM X-A5*, which was launched in February and *FUJIFILM X-H1*, which was launched in March. Also the sales of *FUJIFILM GFX 50S*, a medium format mirrorless digital camera equipped with a large sized sensor and interchangeable lenses have been favorable.

### ■ Healthcare & Material Solutions

- In the healthcare business field, medical systems business enjoyed brisk sales in all areas such as In-vitro Diagnostic (IVD) systems and medical IT. The bio CDMO business saw favorable orders received for process development and manufacture of biopharmaceuticals. In the pharmaceutical business, Fujifilm decided to build a new plant for manufacturing liposome drugs for use in the clinical studies and commercial marketing at the pharmaceutical manufacturing site of Toyama Chemical Co., Ltd in February. In March, Fujifilm announced the acquisition of Irvine Scientific Sales Company, Inc. and IS JAPAN CO., LTD., leading companies in cell culture media.
- In the highly functional materials business field, the sales of new business related to OLED and others were strong in the display materials business. Among our industrial products, *EXCLEAR* sales delivered good results. In the electronic materials business, the sales increased for advanced peripheral materials related to photolithography.

### ■ Document Solutions

- Although the sales were positive in China as well as for export shipment to Europe and the U.S., revenue decreased due to reduction of low-profit office printer business and the sales decline in Oceania region. In March, the initiatives for proposing new value; *Smart Work Innovation* was announced. It is planned to provide new services utilizing AI, IoT and loH<sup>†</sup> technologies.
- Operating income decreased due to one-time expenses such as structural reforms and other factors.

<sup>†</sup>:Internet of Human

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## Earnings for FY2018/3 4Q/Full Year

### ■ Imaging Solutions

(Billions of yen)

Revenue	4Q						Full Year					
	FY2017/3	FY2018/3	Change		Constant-currency basis		FY2017/3	FY2018/3	Change		Constant-currency basis	
Photo Imaging	53.9	54.6	0.7	(+1.3%)	1.2	(+2.2%)	236.8	255.4	18.6	(+7.8%)	9.5	(+4.0%)
Electronic Imaging	21.1	20.5	(0.6)	(-2.9%)	(0.8)	(-3.9%)	69.8	88.8	19.0	(+27.2%)	15.2	(+21.8%)
Optical Devices	9.3	10.2	0.9	(+9.7%)	0.9	(+9.8%)	35.2	38.8	3.6	(+10.4%)	2.4	(+6.9%)
Optical Device & Electronic Imaging Products	30.4	30.7	0.3	(+0.9%)	0.1	(+0.3%)	105.0	127.6	22.6	(+21.6%)	17.6	(+16.8%)
Total	84.3	85.3	1.0	(+1.2%)	1.3	(+1.5%)	341.8	383.0	41.2	(+12.1%)	27.1	(+7.9%)

Note: After elimination of intersegment transactions.

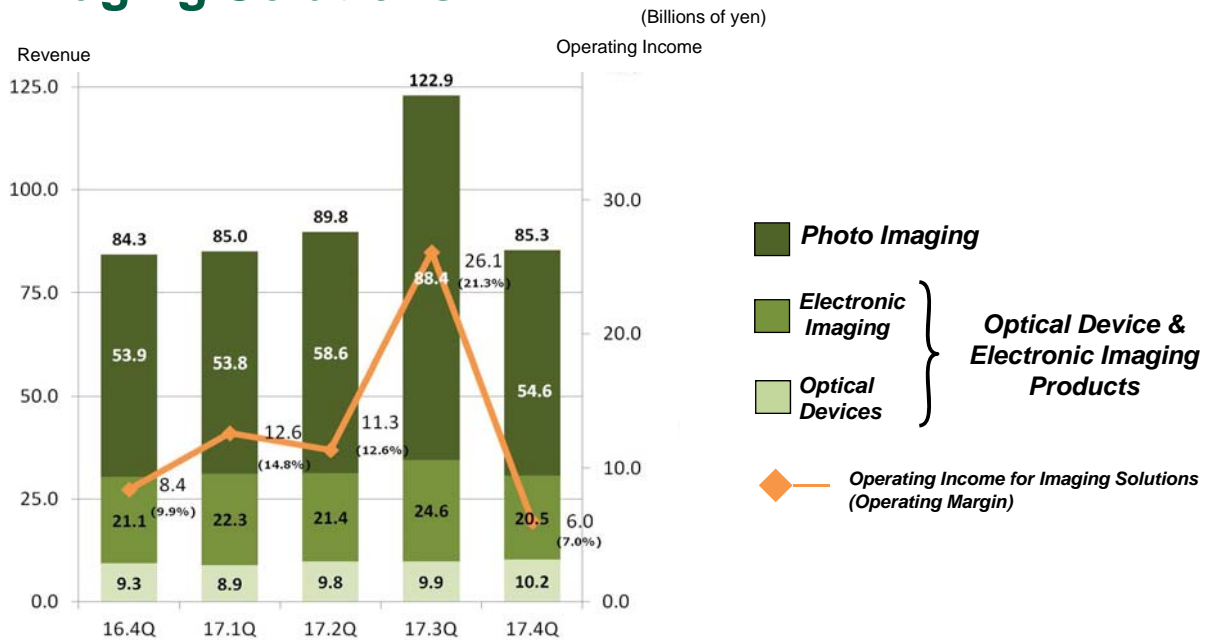
(Billions of yen)

Operating Income [Operating Margin]	4Q						Full Year					
	FY2017/3	FY2018/3	Change		Constant-currency basis		FY2017/3	FY2018/3	Change		Constant-currency basis	
Imaging Solutions	8.4	6.0	(2.4)	(-29.0%)	(2.7)	(-32.1%)	36.8	56.0	19.2	(+52.0%)	12.8	(+34.7%)
	[9.9%]	[7.0%]					[10.7%]	[14.5%]				

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# Change in Quarterly Earnings by Segment

## ■ Imaging Solutions



# Earnings for FY2018/3 4Q/Full Year

## ■ Healthcare & Material Solutions

(Billions of yen)

Revenue	4Q					Full Year						
	FY2017/3	FY2018/3	Change		Constant-currency basis	FY2017/3	FY2018/3	Change		Constant-currency basis		
Healthcare	123.4	133.9	10.5	(+8.4%)	10.5	(+8.3%)	384.0	443.0	59.0	(+15.3%)	50.1	(+13.0%)
Display Materials	22.0	21.3	(0.7)	(-3.3%)	(0.7)	(-3.3%)	97.8	94.4	(3.4)	(-3.5%)	(3.4)	(-3.5%)
Industrial Products	30.5	44.6	14.1	(+46.4%)	15.1	(+49.9%)	111.1	173.0	61.9	(+55.8%)	58.7	(+52.9%)
Electronic Materials												
Fine Chemical												
Highly Functional Materials	52.5	65.9	13.4	(+25.6%)	14.4	(+27.6%)	208.9	267.4	58.5	(+28.0%)	55.3	(+26.5%)
Recording Media	13.1	10.0	(3.1)	(-22.7%)	(2.6)	(-19.3%)	47.6	40.4	(7.2)	(-15.0%)	(8.1)	(-16.9%)
Graphic Systems/Inkjet	67.6	64.2	(3.4)	(-5.0%)	(3.4)	(-5.0%)	255.8	250.9	(4.9)	(-1.9%)	(11.9)	(-4.7%)
Others	0.5	0.3	(0.2)		(0.5)		3.2	0.9	(2.3)		(2.6)	
<b>Total</b>	<b>257.1</b>	<b>274.3</b>	<b>17.2</b>	<b>(+6.7%)</b>	<b>18.4</b>	<b>(+7.1%)</b>	<b>899.5</b>	<b>1,002.6</b>	<b>103.1</b>	<b>(+11.5%)</b>	<b>82.8</b>	<b>(+9.2%)</b>

Note: After elimination of intersegment transactions.

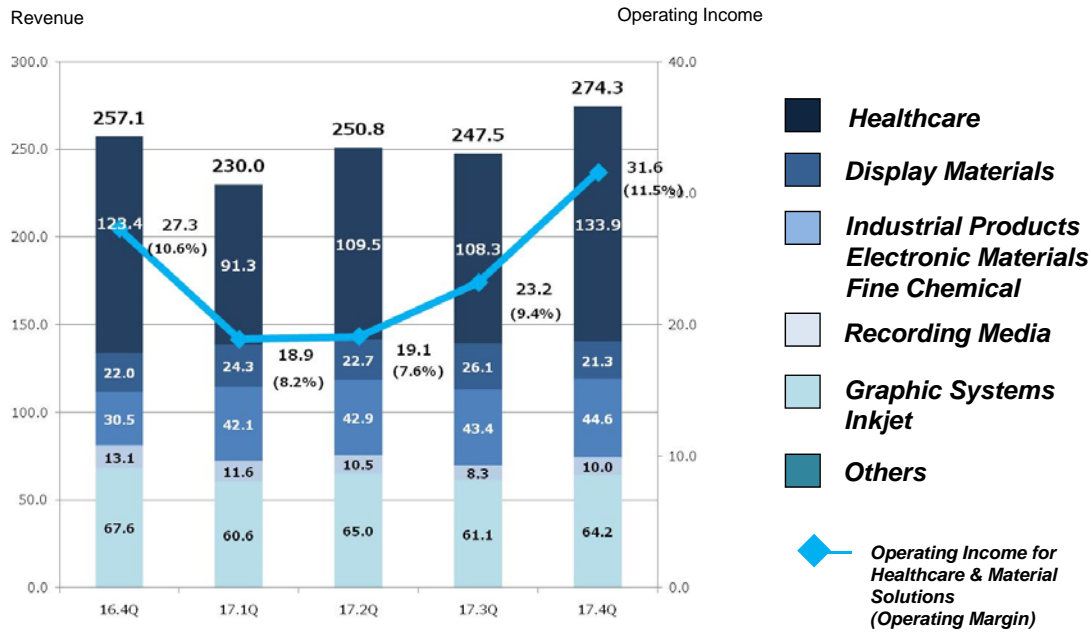
(Billions of yen)

Operating Income [Operating Margin]	4Q					Full Year						
	FY2017/3	FY2018/3	Change		Constant-currency basis	FY2017/3	FY2018/3	Change		Constant-currency basis		
Healthcare	11.0	13.3	2.3	(+21.0%)	1.5	(+13.7%)	12.4	20.7	8.3	(+67.0%)	4.5	(+36.4%)
Healthcare & Material Solutions	27.3	31.6	4.3	(+15.9%)	4.1	(+15.0%)	83.0	92.8	9.8	(+11.8%)	3.6	(+4.3%)

# Change in Quarterly Earnings by Segment

## Healthcare & Material Solutions

(Billions of yen)



# Earnings for FY2018/3 4Q/Full Year

## Document Solutions

(Billions of yen)

Revenue	4Q						Full Year					
	FY2017/3	FY2018/3	Change		Constant-currency basis		FY2017/3	FY2018/3	Change		Constant-currency basis	
			Change	%	Change	%			Change	%	Change	%
Office Printers	42.5	39.3	(3.2)	(-7.8%)	(2.7)	(-6.7%)	162.1	151.3	(10.8)	(-6.7%)	(13.9)	(-8.6%)
Office Products & Printers	160.8	153.4	(7.4)	(-4.6%)	(8.0)	(-5.0%)	624.0	610.0	(14.0)	(-2.2%)	(24.3)	(-3.9%)
Production Services	36.7	32.9	(3.8)	(-10.3%)	(4.3)	(-11.6%)	136.6	131.0	(5.6)	(-4.1%)	(8.3)	(-6.1%)
Solutions & Services	76.4	64.9	(11.5)	(-15.1%)	(12.0)	(-15.8%)	264.0	256.2	(7.8)	(-3.0%)	(13.2)	(-5.0%)
Others	14.6	12.9	(1.7)	(-11.7%)	(2.0)		56.3	50.6	(5.7)	(-10.0%)	(8.1)	
<b>Total</b>	<b>288.5</b>	<b>264.1</b>	<b>(24.4)</b>	<b>(-8.5%)</b>	<b>(26.3)</b>	<b>(-9.1%)</b>	<b>1,080.9</b>	<b>1,047.8</b>	<b>(33.1)</b>	<b>(-3.1%)</b>	<b>(53.9)</b>	<b>(-5.0%)</b>

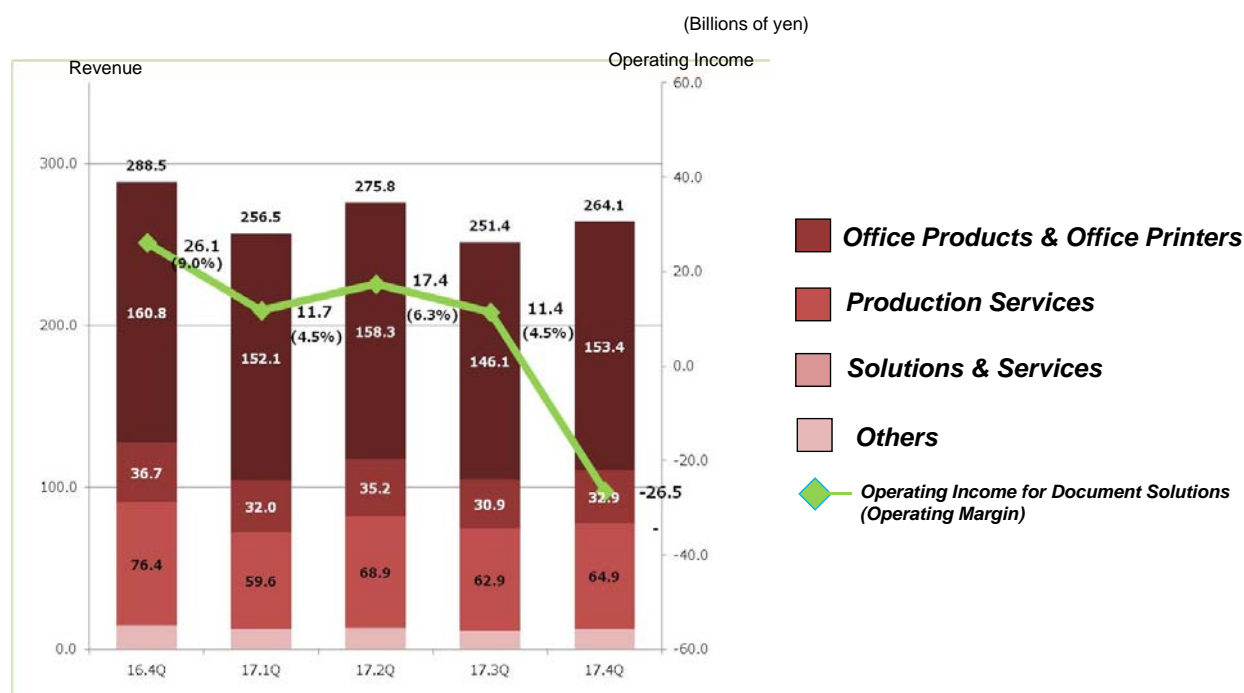
Note: After elimination of intersegment transactions.

(Billions of yen)

Operating Income [Operating Margin]	4Q						Full Year					
	FY2017/3	FY2018/3	Change		Constant-currency basis		FY2017/3	FY2018/3	Change		Constant-currency basis	
			Change	%	Change	%			Change	%	Change	%
Operating income excluding one-time expenses	26.1	26.9	0.8	(+3.1%)	(1.8)	(-6.9%)	82.7	84.0	1.3	(+1.6%)	(2.0)	(-2.4%)
Document Solutions	26.1	(26.5)	(52.6)	-	(55.2)	-	82.7	14.0	(68.7)	(-83.1%)	(72.0)	(-87.1%)

## Change in Quarterly Earnings by Segment

### Document Solutions



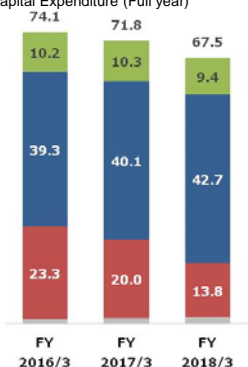
## Revenue by Destination

(Billions of yen)

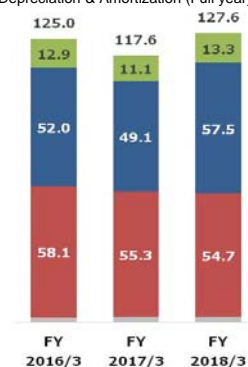
	FY2017/3		FY2018/3		Change	
	Ratio (%)		Ratio (%)			
Domestic	41.5%	962.7	41.4%	1,006.5	43.8	(+4.5%)
The Americas	19.4%	450.4	19.0%	462.8	12.4	(+2.8%)
Europe	11.8%	273.9	12.9%	315.3	41.4	(+15.1%)
China	11.8%	274.5	12.2%	296.1	21.6	(+7.9%)
Asia and others	27.3%	635.2	26.7%	648.8	13.6	(+2.2%)
Overseas	58.5%	1,359.5	58.6%	1,426.9	67.4	(+5.0%)
Consolidated total	100.0%	2,322.2	100.0%	2,433.4	111.2	(+4.8%)

# Capital Expenditure , Depreciation & Amortization

Capital Expenditure (Full year)



Depreciation & Amortization (Full year)



(Billions of yen)

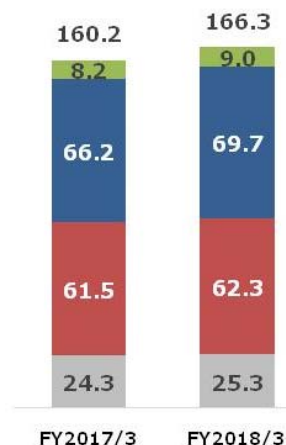
	4Q			Full year			
	FY 2016/3	FY 2017/3	FY 2018/3	FY 2016/3	FY 2017/3	FY 2018/3	FY2019/3 (forecast)
Imaging	3.3	2.9	3.2	10.2	10.3	9.4	
Healthcare & Material	18.0	15.4	15.4	39.3	40.1	42.7	
Document	6.0	5.1	1.9	23.3	20.0	13.8	
Corporate	0.2	0.5	0.7	1.3	1.4	1.6	
Capex *	27.5	23.9	21.2	74.1	71.8	67.5	80.0
Imaging	4.4	2.3	3.5	12.9	11.1	13.3	
Healthcare & Material	13.1	11.4	14.7	52.0	49.1	57.5	
Document	16.3	13.9	13.8	58.1	55.3	54.7	
Corporate	0.5	0.5	0.3	2.0	2.1	2.1	
Depreciation & Amortization	34.3	28.1	32.3	125.0	117.6	127.6	119.0
Depreciation*	18.5	15.2	17.1	65.8	58.9	66.5	

- Imaging
- Healthcare & Material
- Document
- Corporate

\*Note: Figures do not include amounts for rental equipment handled by the Document Solutions segment and others.

# R&D Expenses, SG&A Expenses

R&D Expenses (Full year)



(Billions of yen)

	4Q		Full year		
	FY2017/3	FY2018/3	FY2017/3	FY2018/3	FY2019/3 (forecast)
Imaging	2.1	2.7	8.2	9.0	
Healthcare & Material	17.9	18.7	66.2	69.7	
Document	14.0	21.0	61.5	62.3	
Corporate	6.2	7.0	24.3	25.3	
R&D Expenses	40.2	49.4	160.2	166.3	161.0
<ratio to revenue>	6.4%	7.9%	6.9%	6.8%	6.4%
SG&A Expenses	151.6	190.0	598.1	673.0	
<ratio to revenue>	24.0%	30.5%	25.8%	27.7%	

- Imaging
- Healthcare & Material
- Document
- Corporate



## Exchange rates, Raw Material Prices, and Number of Employees

### Exchange Rates

(yen)

	FY2017/3					FY2018/3				
	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
US\$/¥	108	102	110	114	108	111	111	113	108	111
€/¥	122	114	118	121	119	122	130	133	133	130

### Raw Material Prices (Average)

(¥1,000/kg)

	FY2017/3					FY2018/3				
	1Q	2Q	3Q	4Q	Full year	1Q	2Q	3Q	4Q	Full year
Silver	57	63	59	63	59	63	60	61	58	61

### Number of Employees

	2017.Mar	2017.Jun	2017.Sep	2017.Dec	2018.Mar
Consolidated Total	78,501	80,672	80,315	80,067	77,739

## Amendment to FY2017/3 4Q Financial Results

(Billions of yen)

	Original FY2017/3 4Q	Amended FY2017/3 4Q	Change
Revenue	629.9 100.0%	629.9 100.0%	0.0
Operating Income	55.2 8.8%	54.0 8.6%	(1.2)
Income before Income Taxes	65.5 10.4%	64.3 10.2%	(1.2)
Net Income Attributable to FUJIFILM Holdings	52.3 8.3%	52.8 8.4%	0.5
Exchange Rates US\$/ €/	¥114 ¥121	¥114 ¥121	

## Consolidated Financial Forecast for FY2019/3 (as of May 18, 2018)

(Billions of yen)

	FY2018/3	FY2019/3 1H	FY2019/3 2H	FY2019/3	Change from previous year
Revenue	2,433.4 100.0%	1,190.0 100.0%	1,320.0 100.0%	2,510.0 100.0%	76.6 +3.1%
Operating Income	130.7 5.4%	75.0 6.3%	125.0 9.5%	200.0 8.0%	69.3 +53.0%
Income before Income Taxes	197.8 8.1%	79.0 6.6%	126.0 9.5%	205.0 8.2%	7.2 +3.6%
Net Income Attributable to FUJIFILM Holdings	140.7 5.8%	46.0 3.9%	84.0 6.4%	130.0 5.2%	(10.7) -7.6%

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## FY2018/3 Appendix

## Pipeline (as of May 18, 2018)

Development code	Therapeutic category	Formulation	Region	Development stage
T-705	Anti-influenza drug	Oral	Japan	Approved
			U.S.A.	P III
	Severe fever with thrombocytopenia syndrome virus drug	Oral	Japan	P III
T-3811	Quinolone synthetic antibacterial drug	Oral	China	Submitted an application for permission
T-2307	Antifungal drug	Injection	U.S.A.	P I
T-817MA	Alzheimer's disease drug	Oral	U.S.A.	P II
			Japan	P II
T-4288	New fluoroketolide antibacterial drug	Oral	Japan	P III
ITK-1	Castration-resistant prostate cancer drug	Injection	Japan	P III
FF-10501	Myelodysplastic syndrome drug	Oral	Japan	P I
			U.S.A.	P II
FF-10502	Advanced/recurrent solid cancer drug	Injection	U.S.A.	P II
FF-21101	<span style="background-color: #e0f0ff;">Bio</span> Advanced/recurrent solid cancer drug (Armed antibody)	Injection	U.S.A.	P I
F-1311	Diagnostic drug for prostate cancer (Radiopharmaceuticals)	Injection	Japan	P II
FF-10101	Acute Myeloid Leukemia (AML) drug	Oral	U.S.A.	P I
F-1515	Anti-tumor (neuroendocrine tumors) drug (Radiopharmaceuticals)	injection	Japan	P I
FF-10832	Advanced solid cancer drug (Gemcitabine liposome)	Injection	U.S.A.	P I
F-1614	Anti-tumor (pheochromocytoma) drug (Radiopharmaceuticals)	Injection	Japan	P II

Note: FKB327 (a biosimilar of adalimumab) of FUJIFILM KYOWA KIRIN Biologics (FKB), an equity method affiliated company, is filed in EU.

FKB238 (a biosimilar of bevacizumab) of JV between FKB and AstraZeneca is under phase III clinical trial in U.S.A., Europe, and others.

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## Activities for Strengthening of Governance

### Career summary of the new candidate for an Outside Director

#### Makiko Eda

(Chief Representative Officer, World Economic Forum Japan)

##### <Brief career summary>

After graduating from Waseda University, and completing graduate studies in the U.S., Ms. Eda worked for a research company and others.

Ms. Eda joined Intel Japan K.K. in 2000, and appointed as General Manager of Marketing Headquarters, responsible for brand strategy and others.

From August 2010 to September 2013, Ms. Eda was responsible for Intel's marketing activities in the Asia-Pacific region, based in Hong Kong.

In October 2013, Ms. Eda was appointed as President and Representative Director of Intel Japan K.K., where she worked until March 2018.

Ms. Eda was appointed as Chief Representative Officer of World Economic Forum Japan in April 2018.

Also, Ms. Eda is serving on committee for the promotion of regulatory reform by Japan government from September 2016.

## Appendix

### [FUJIFILM Holdings – Investor Relations](http://www.fujifilmholdings.com/en/investors/index.html)

<http://www.fujifilmholdings.com/en/investors/index.html>

### [FUJIFILM Holdings Integrated Report 2017](http://www.fujifilmholdings.com/en/investors/ir_library/integrated_reports/index.html)

[http://www.fujifilmholdings.com/en/investors/ir\\_library/integrated\\_reports/index.html](http://www.fujifilmholdings.com/en/investors/ir_library/integrated_reports/index.html)

### [IR Events Materials](http://www.fujifilmholdings.com/en/investors/ir_events/business_presentations/index.html)

[http://www.fujifilmholdings.com/en/investors/ir\\_events/business\\_presentations/index.html](http://www.fujifilmholdings.com/en/investors/ir_events/business_presentations/index.html)

#### · Business presentation materials

-Dec. 2016 Business Presentation for Pharmaceuticals/Regenerative Medicine Business

-Mar. 2017 Business Presentation for Electronic Materials Business

-Mar. 2018 Business Presentation for Imaging Solutions Businesses

### [What Kind of Company is Fujifilm?](http://www.fujifilmholdings.com/en/investors/guidance/index.html)

<http://www.fujifilmholdings.com/en/investors/guidance/index.html>

# FUJIFILM

## Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.

Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

**FUJIFILM Holdings Corporation**

Corporate Communication Office, Corporate Planning Div.

<http://www.fujifilmholdings.com/en/index.html>