

## Earnings of 1Q FY2010/3 (April 1 - June 30, 2009)

**FUJIFILM Holdings Corporation**

July 31, 2009

### 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 for 1Q FY2010/3

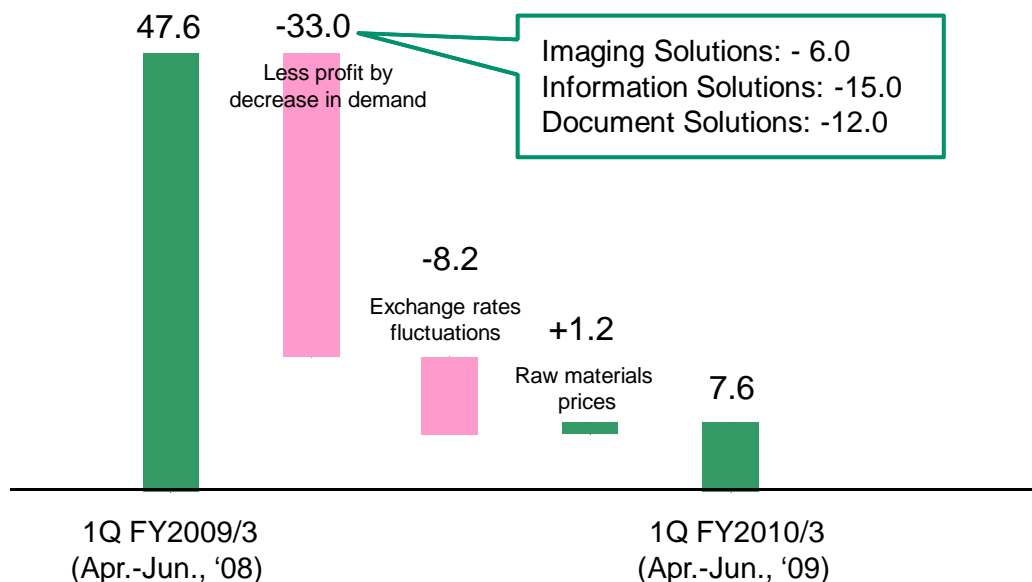
Revenue and profit down amid an operating environment  
that continued to be harsh, reflecting the worldwide economic recession

<i>(Billions of yen)</i>	1Q FY2009/3 (Apr. - Jun. 2008)		1Q FY2010/3 (Apr. - Jun. 2009)		Change	
					Amount	%
Revenue	100.0%	653.7	100.0%	502.4	(151.3)	(23.1)
Operating Income Before Restructuring and Other Charges	7.3%	47.6	1.5%	7.6	(40.0)	(84.1)
Restructuring and Other Charges		1.7		10.3	8.6	-
Operating Income After Restructuring and Other Charges	7.0%	45.9	(0.5%)	(2.7)	(48.6)	-
Income Before Income Taxes	8.4%	55.0	0.2%	1.2	(53.8)	(97.9)
Net Income Attributable to FUJIFILM Holdings	4.9%	31.9	(0.1%)	(0.7)	(32.6)	-
Net Income Attributable to FUJIFILM Holdings per Share		¥63.31		¥(1.42)		-
Exchange Rates	US\$	¥104		¥97		¥ (7)
	€	¥163		¥133		¥(30)

■ Analysis of Operating Income Before Restructuring and Other Charges in 1Q FY2010/3

(Change from previous fiscal year)

(Billions of yen)



Implementation of Structural Reforms

Restructuring and Other Charges for 1Q FY2010/3

(Billions of yen)

Breakdown by Type

Facilities	3.1
Personnel	7.2
Total Expense	10.3
Benefits of Structural Reforms	3.0

Breakdown by Operating Segment

Imaging Solutions	2.8
Information Solutions	3.2
Document Solutions	4.3
Total Expense	10.3

● Facilities

Partial halt of color paper production processes at the Netherlands plant, etc.

● Personnel

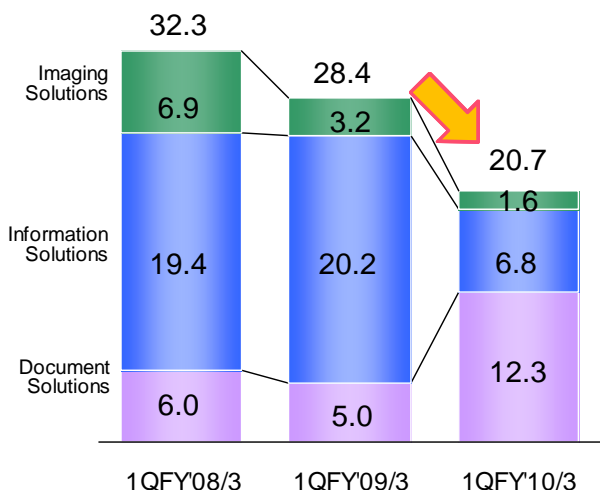
Rise in retirement benefit expense accompanying further consolidation of photo processing labs and other measures to reduce personnel, particularly overseas

# Capital Expenditure and Depreciation & Amortization **FUJIFILM**

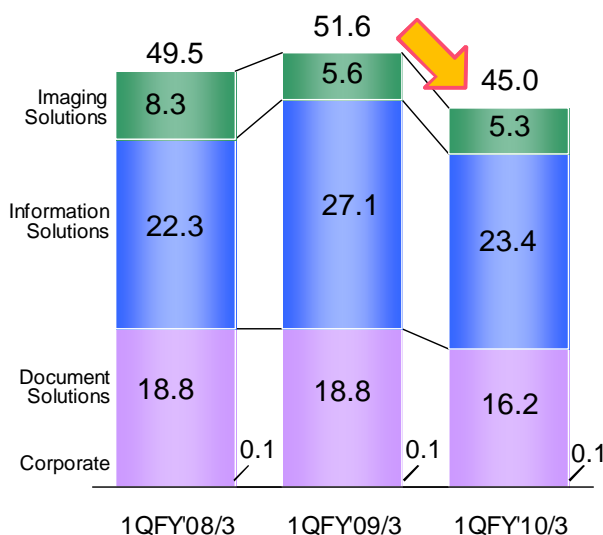
Decrease in capital expenditure and depreciation and amortization due to enhanced selectivity in capital investments

Billions of yen

## ■ Capital Expenditure



## ■ Depreciation & Amortization



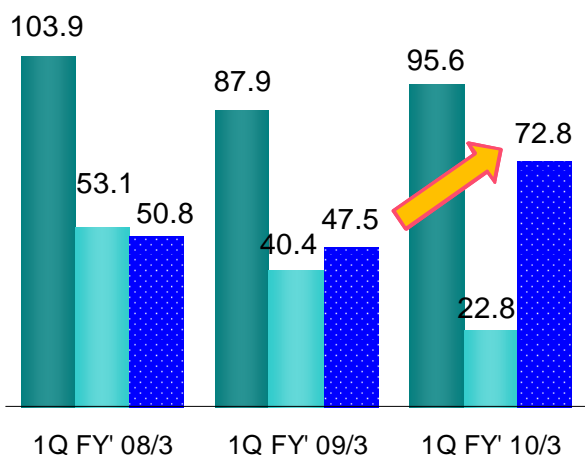
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# Cash Flow **FUJIFILM**

Considerable improvement in free cash flow amid the harsh environment due to enhanced selectivity in capital investments and inventory reductions

Billions of yen

■ From operating activities ■ From investing activities ■ Free cash flow



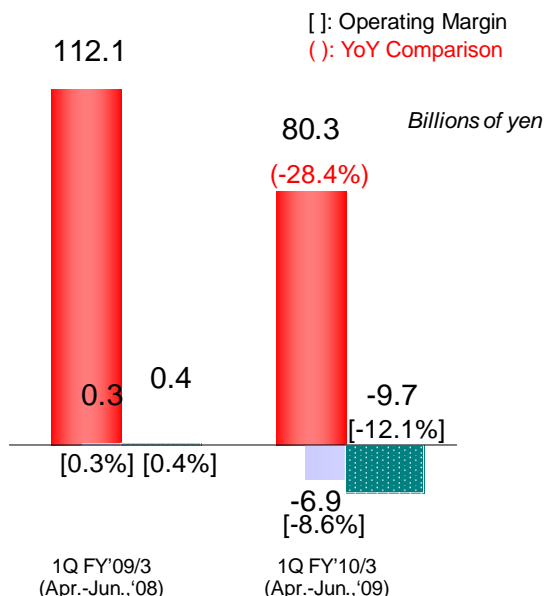
Cash Flow	FY'09/3 (Apr.-Jun. '08)	FY'10/3 (Apr.-Jun. '09)
Net income	35.0	(0.6)
Depreciation & amortization	51.6	45.0
Change in working capital	8.7	33.3
Change in accrued income taxes and other liabilities	9.5	16.2
Others	(16.9)	1.7
<b>C/F from operating activities</b>	<b>87.9</b>	<b>95.6</b>
Capital expenditure	(41.7)	(19.7)
Sales and purchases of marketable and investment securities	3.8	5.1
Others	(2.5)	(8.2)
<b>C/F from investing activities</b>	<b>(40.4)</b>	<b>(22.8)</b>
<b>Free cash flow</b>	<b>47.5</b>	<b>72.8</b>

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## ■ Imaging Solutions

### Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges
- Operating Income After Restructuring and Other Charges



#### Revenue

¥80.3 billion (YoY: -28.4%)

- Revenue decreased due to lower demand for color film and digital minilabs as well as intensifying competition in digital cameras
- Impact of yen appreciation: -¥10.6billion

#### Operating Income

Before restructuring and other charges:

-¥6.9billion (YoY: fell into red)

After restructuring and other charges:

-¥9.7billion (YoY: fell into red)

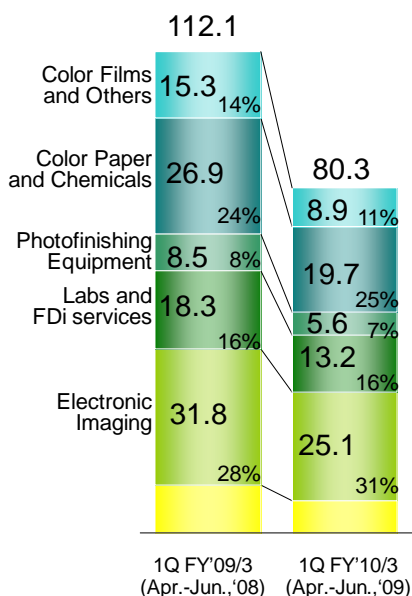
- Continued profit downtrend due to revenue decrease and impact of exchange rates

\*Note: After elimination of intersegment transaction

### Sub-segment Revenue

Billions of yen

#: Proportion of sub-segment revenue



#### Color Films and Others

¥8.9billion (YoY: -42%)

- Continued revenue decrease due to market shrinkage

#### Color Paper and Chemicals

¥19.7billion (YoY: -27%)

- Expanding marketing promotion measures related to high-value-added print offerings, such as photo books and on-line photo services

#### Photofinishing Equipment

¥5.6billion (YoY: -34%)

- Promoting sales by expanding lineup with Frontier Dry Minilab DL430

#### Electronic Imaging

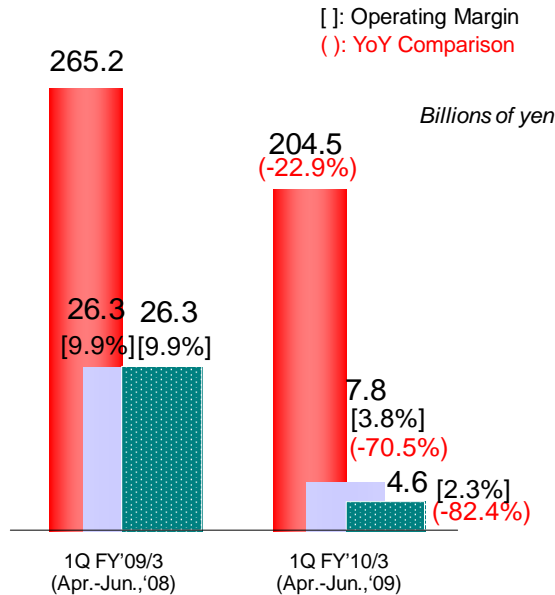
¥25.1billion (YoY: -21%)

- On a world wide basis, sales volume of digital cameras during 1Q FY'10/3 amounted to 1.8 million units.
- Robust growth in domestic sales of such distinctive products as FinePix F200EXR and FinePix Z300
- Sales decrease due to yen appreciation and intensifying price competition.

## Information Solutions

### Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges
- Operating Income After Restructuring and Other Charges



#### Revenue

¥204.5billion (YoY: -22.9%)

- Sharp recovery in demand for FPD materials but lower business segment sales due to drops in sales of graphic arts and optical devices
- Impact of yen appreciation: -¥12.6 billion

#### Operating Income

Before restructuring and Other Charges:

¥7.8billion (YoY: -70.5%)

After restructuring and Other Charges:

¥4.6billion (YoY: -82.4%)

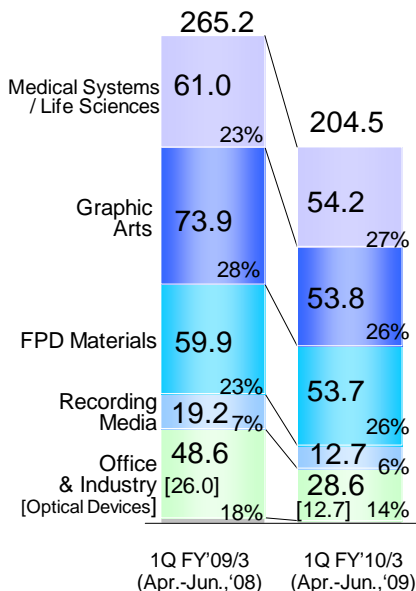
- Decrease in mainstay product sales volume, impact of yen appreciation

\*Note: After elimination of intersegment transaction

### Sub-segment Revenue

Billions of yen

%: Proportion of sub-segment revenue



#### Medical Systems / Life Sciences

¥54.2billion (YoY: -11%)

- Sales down due to global recession and impact of the revision of Japanese national healthcare reimbursement price in last year.
- Strengthening marketing programs centered on compact FCRs in newly industrialized countries markets .
- Continued robust sales of SYNAPSE and other medical-use picture archiving and communication systems.

#### Graphic Arts

¥53.8billion (YoY: -27%)

- General decrease in graphic arts materials due to yen appreciation, drop in published materials volume, lower number of newspaper pages.
- In digital printing field, robust sales of wide-format inkjet systems.

#### FPD Materials

¥53.7billion (YoY: -10%)

- Recovery in FUJITAC and WV Film orders due to factors including higher demand for LCD televisions associated with the Chinese measures to promote ownership of household electric products.
- Initiated full-scale operations at the No. 9 WV Film manufacturing plant in July 2009.

#### Recording Media

¥12.7billion (YoY: -34%)

- Slack sales owing to falling demand in the United States— largest market for mainstay data media—and other factors.

#### Office & Industry

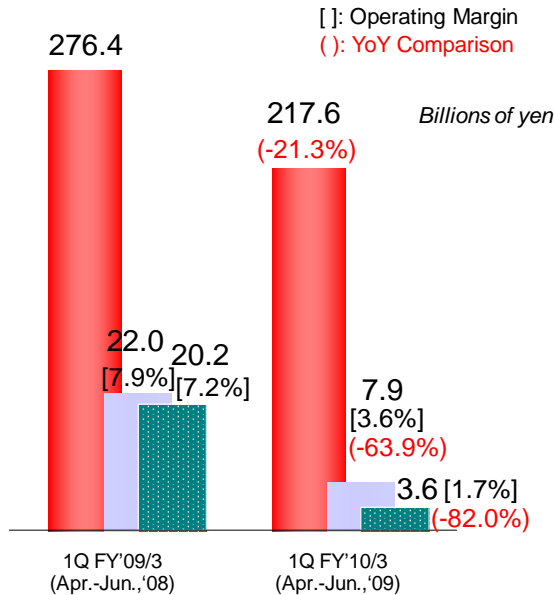
¥28.6billion (YoY: -41%)

- In optical device field, sales down as global recession continued to create a difficult environment for obtaining orders.

## ■ Document Solutions

### Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges
- Operating Income After Restructuring and Other Charges



#### Revenue

¥217.6billion (YoY:-21.3% )

- Decrease in revenue due to slack demand, yen appreciation, etc.
- Impact of yen appreciation: -¥10.9 billion

#### Operating Income

**Before restructuring and Other Charges:**

¥7.9billion (YoY: -63.9%)

**After restructuring and Other Charges:**

¥3.6billion (YoY: -82.0%)

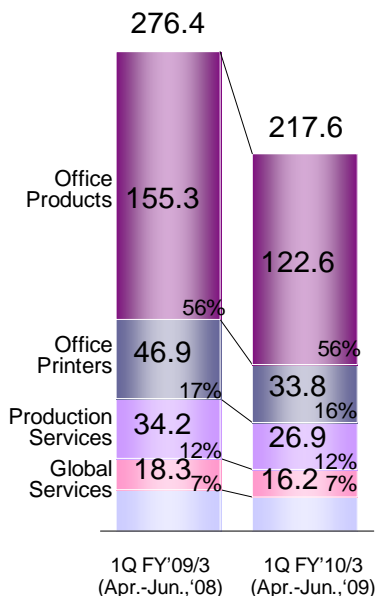
- Lower profit due to large revenue fall, despite efforts to strengthen control over direct marketing expenses and increase SG&A expense efficiency.

\*Note:After elimination of intersegment transaction

### Sub-segment Revenue

Billions of yen

%: Proportion of sub-segment revenue



#### Office Products

¥122.6billion (YoY: -21%)

- Lower sales volume in Japan due to capital investment restraint accompanying the global recession. Also, drop in after-service sales due to impact of corporate expense reduction measures.
- In the Asia-Pacific region including China, sales volume in the Chinese market began rising. Exports to U.S.-based Xerox Corporation decreased.

#### Office Printers

¥33.8 billion (YoY: -28%)

- In Japan, lower demand led to drops in own-brand sales volume and OEM shipment volume.
- Higher sales volume in the Asia-Pacific region including China. Exports to U.S.-based Xerox Corporation decreased due to sharp drop in demand.

#### Production Services

¥26.9 billion (YoY: -21%)

- Lower volume of sales in Japan and of exports to U.S.-based Xerox Corporation, reflecting demand slump accompanying global recession.
- Higher sales volume in the Asia-Pacific region including China due to strong sales of light production color systems.

#### Global Services

¥16.2billion (YoY: -11%)

- Sales decreases in Japan and overseas due to rapid deterioration of economic conditions, despite sales increases achieved in managed print service, etc.

Billions of yen	FY2009/3 (Actual)		FY2010/3 (Plan)		Change
					%
Imaging		410.4		350.0	(14.7)
Information		946.1		950.0	+0.4
Document		1,077.8		1,000.0	(7.2)
Revenue	100.0%	2,434.3	100.0%	2,300.0	(5.5)
Operating Income Before Restructuring and Other Charges	2.9%	70.8	2.4%	55.0	(22.3)
Restructuring and Other Charges		33.5		145.0	-
Operating Income After Restructuring and Other Charges	1.5%	37.3	(3.9)%	(90.0)	-
Income Before Income Taxes	0.4%	9.4	(4.0)%	(93.0)	-
Net Income Attributable to FUJIFILM Holdings	0.4%	10.5	(2.6)%	(60.0)	-
Net Income Attributable to FUJIFILM Holdings per Share		¥21.10		¥(122.80)	¥(143.90)
Exchange Rates					
	US\$	¥101		¥95*	¥(6)
	€	¥145		¥127*	¥(18)

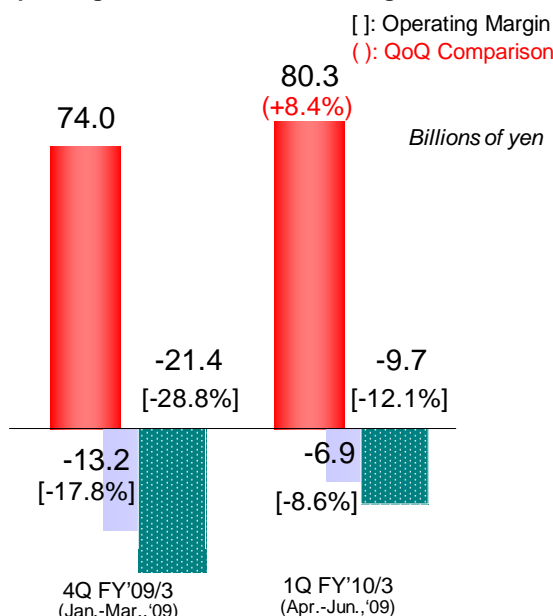
\*2QFY'10/3~ US\$:¥95 €:¥125 12

Appendix

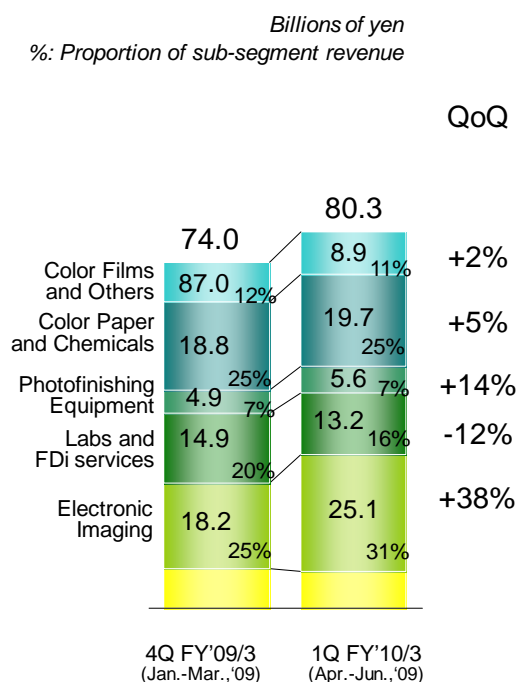
■ Imaging Solutions

Revenue\* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges
- Operating Income After Restructuring and Other Charges



Sub-segment Revenue



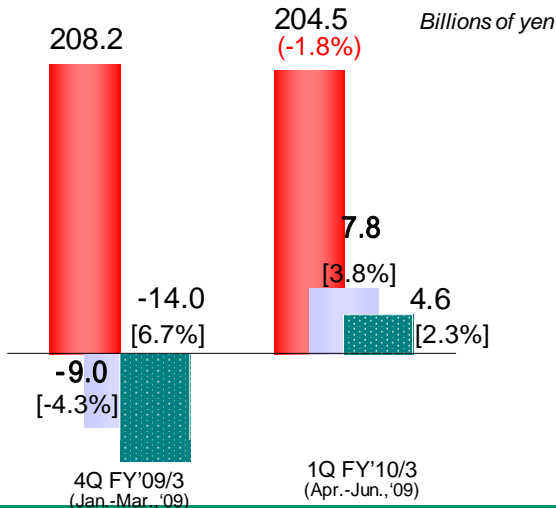
\*Note: After elimination of intersegment transaction

Information Solutions

Revenue\* /Operating Income

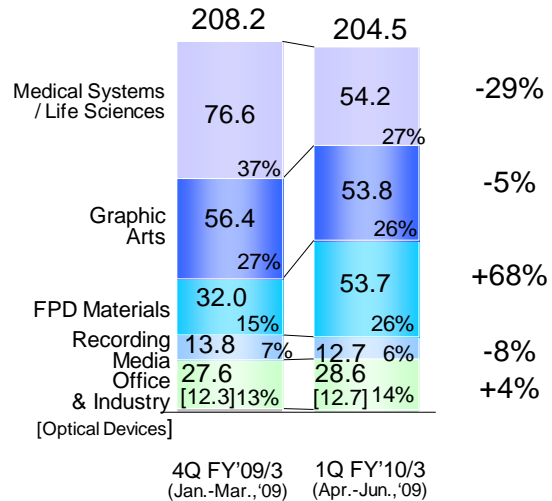
- Revenue
- Operating Income before restructuring and other charges
- Operating Income after restructuring and other charges

[ ]: Operating Margin  
 ( ): QoQ Comparison



Sub-segment Revenue

Billions of yen  
 %: Proportion of sub-segment revenue



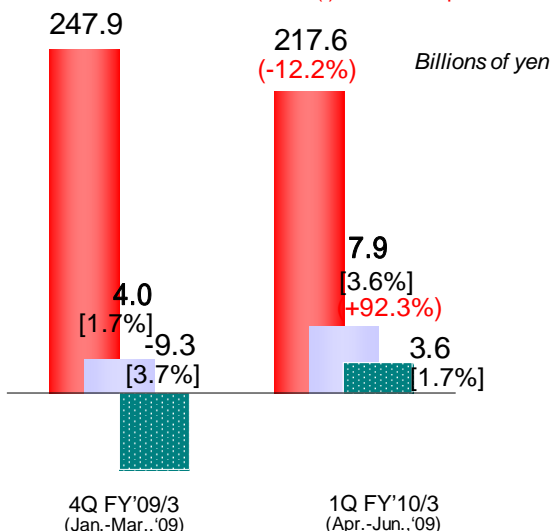
\*Note: After elimination of intersegment transaction

Document Solutions

Revenue\* /Operating Income

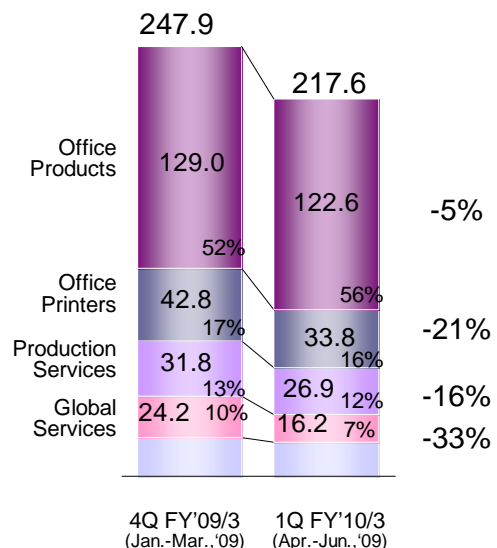
- Revenue
- Operating Income Before Restructuring and Other Charges
- Operating Income After Restructuring and Other Charges

[ ]: Operating Margin  
 ( ): QoQ Comparison



Sub-segment Revenue

Billions of yen  
 %: Proportion of sub-segment revenue

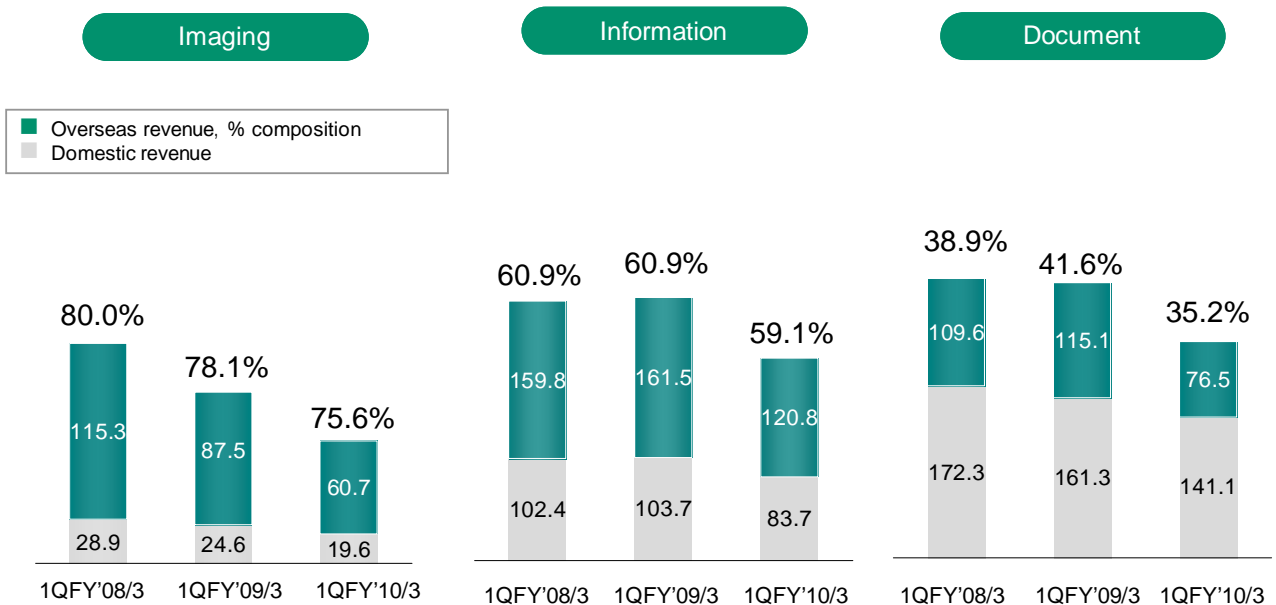


\*Note: After elimination of intersegment transaction



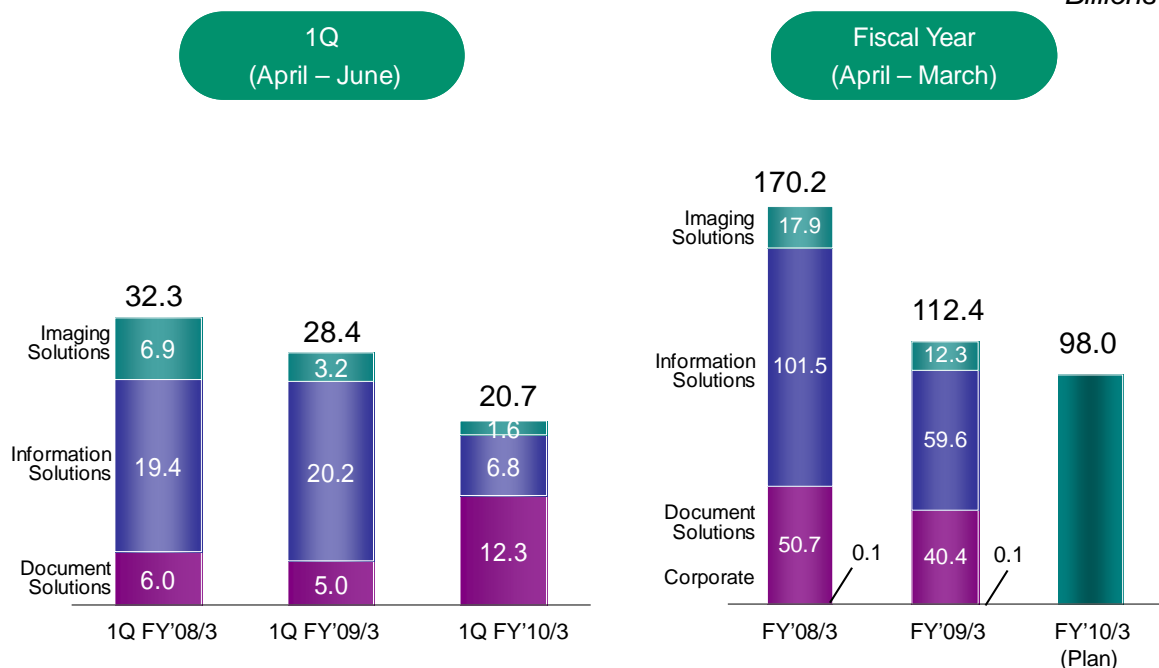
■ Revenue from Overseas(1Q Apr.-Jun.)

Billions of yen



■ Capital Expenditure\*

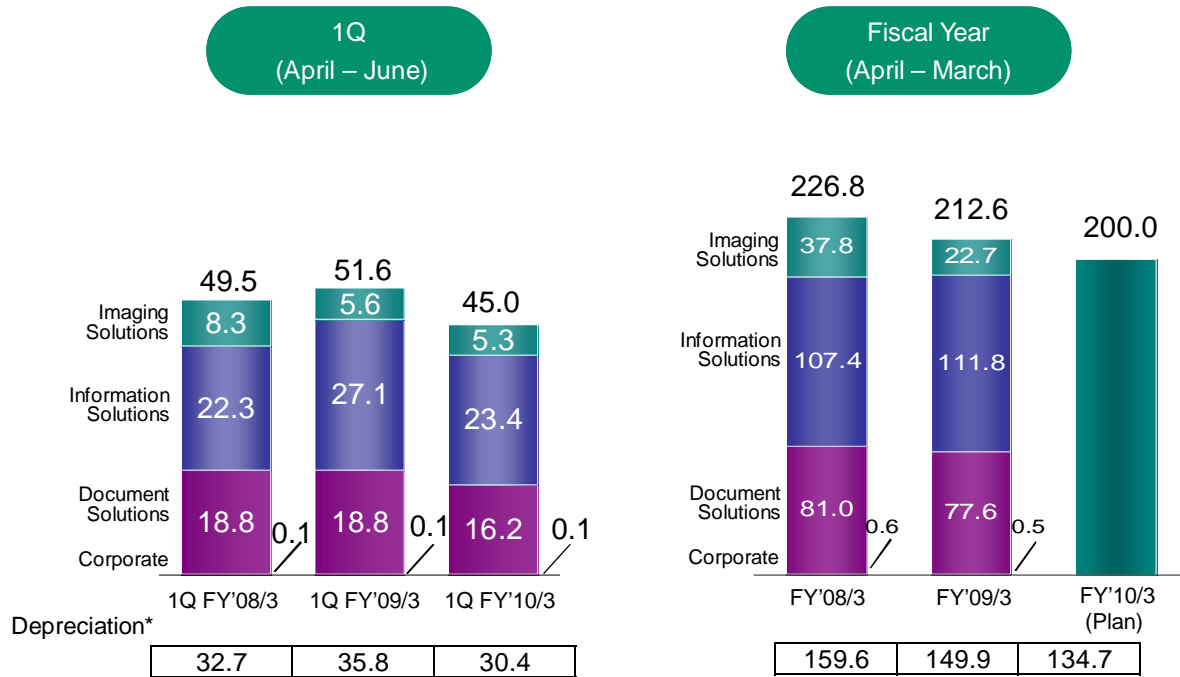
Billions of yen



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

■ Depreciation & Amortization

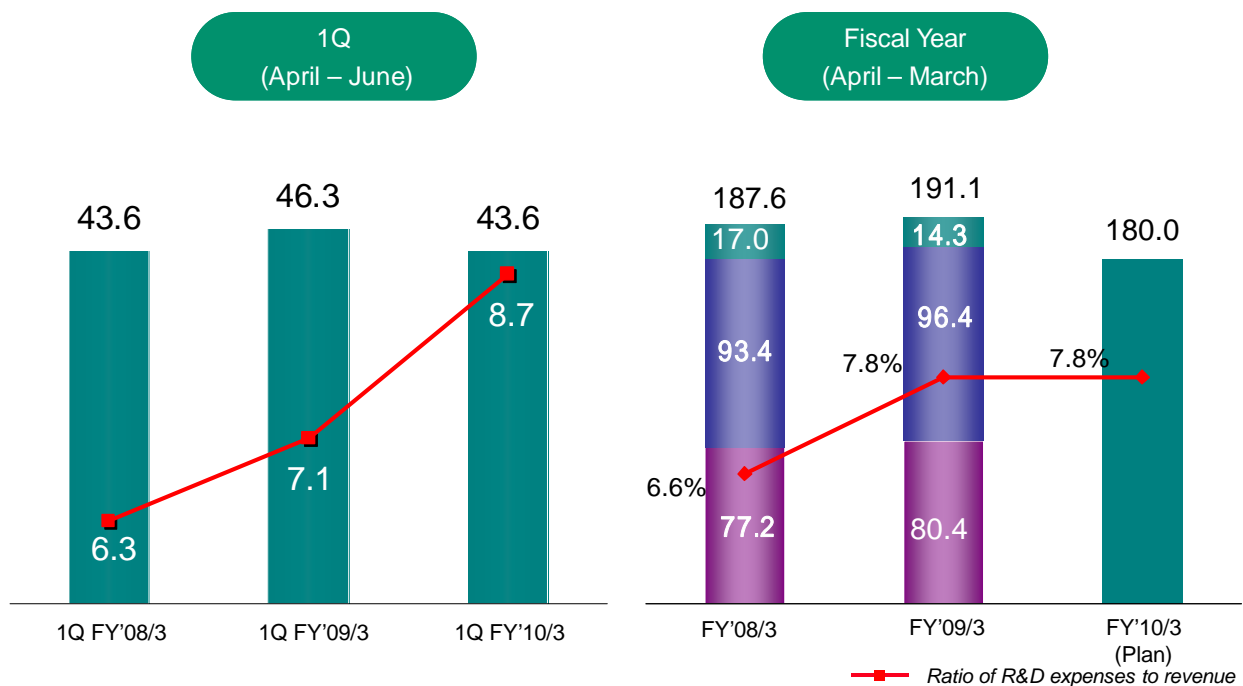
Billions of yen



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

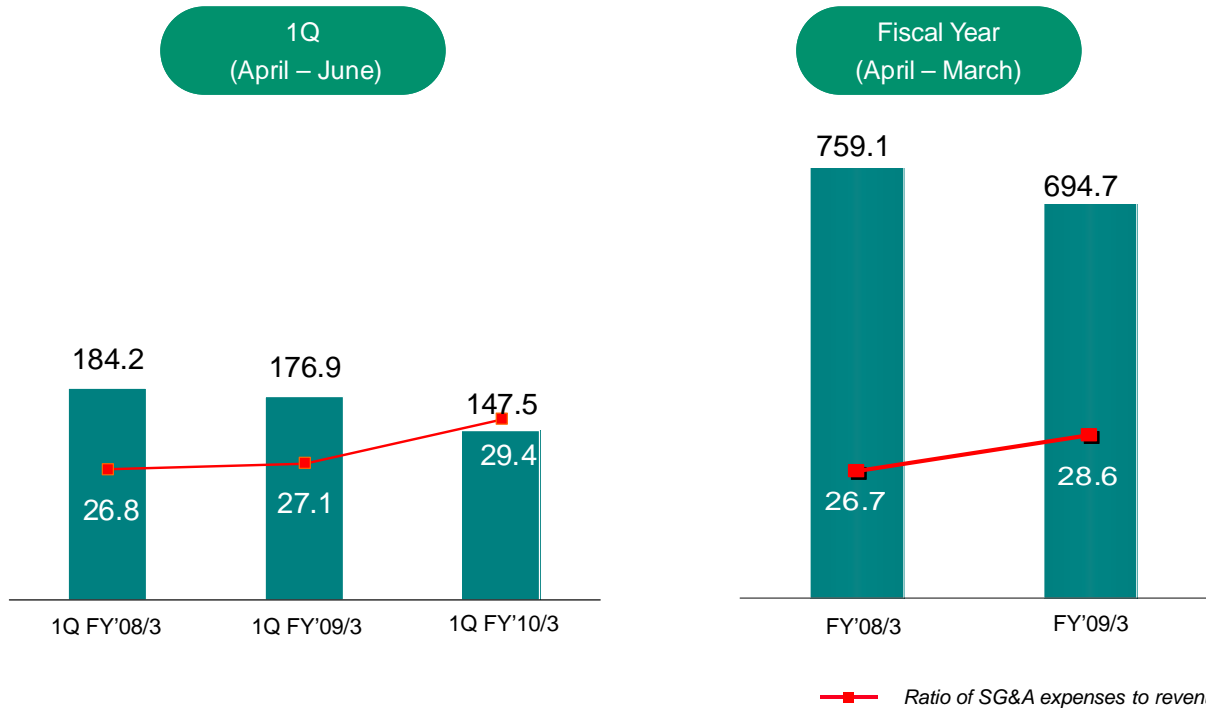
■ R&D Expenses

Billions of yen



■ SG&A Expenses

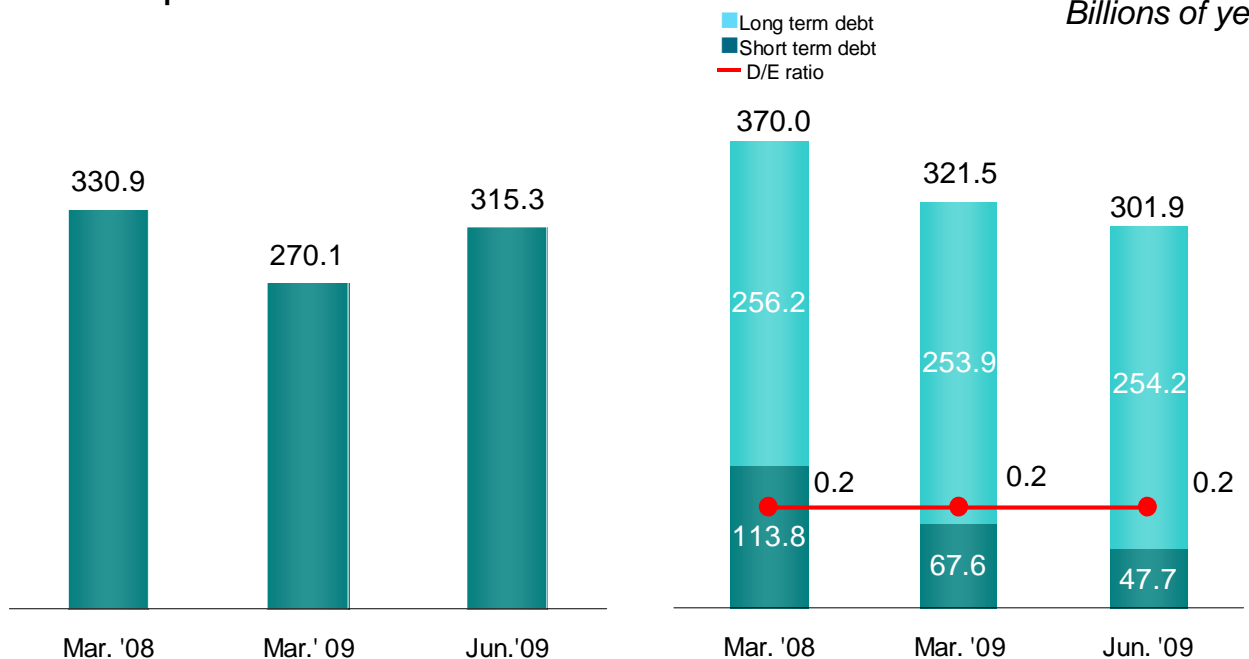
Billions of yen



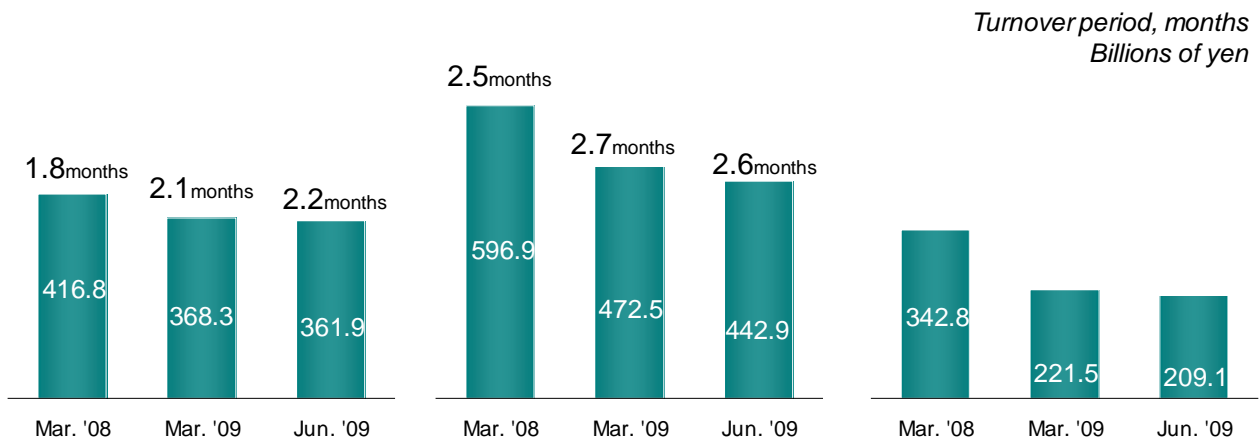
■ Cash and Cash Equivalents

■ Interest Bearing Debt

Billions of yen



■ Inventories      ■ Notes and Accounts Receivable      ■ Notes and Accounts Payable



■ Current State of New Drug Development

Development code	Therapeutic category	Region	Development stage					Formulation
			Non-clinical	P I	P II	P III	Filed	
T-3262 fine granules	Quinolone synthetic antibacterial	Japan	[Progress bar]					Oral*
T-614	Rheumatoid arthritis	Japan	[Progress bar]					Oral
T-3811	New-type quinolone synthetic antibacterial	Japan	[Progress bar]					Injection**
		U.S.A.	[Progress bar]					
		Europe	[Progress bar]					
T-3762	Quinolone synthetic antibacterial	Japan	[Progress bar]					Injection***
T-817MA	Alzheimer's disease	U.S.A.	[Progress bar]					Oral
T-5224	Rheumatoid arthritis	Japan	[Progress bar]					Oral
		Overseas	[Progress bar]					
T-705	Antiviral	Japan	[Progress bar]					Oral
		U.S.A.	[Progress bar]					
T-1106	Antiviral	Japan	[Progress bar]					Oral
T-2307	Antifungal	Japan	[Progress bar]					Injection

\* Tablets are sold under the name "Ozex"

\*\* Oral drugs are sold under the name "Geninax"

\*\*\* Additional dosage of "PASIL" intravenous drip, which is currently sold on the market

>Changes since the previous announcement (Apr 30, 2009):

T3762: Advanced from Phase III clinical trials to the submission of an application in June 2009.

- Exchange Rates

	FY 2009/3					FY2010/3
	1Q	2Q	3Q	4Q		1Q
US\$	104	108	97	94	101	97
Euro	163	162	128	124	145	133

Impact of exchange rates movement on operating income (full year, ¥1 change)

*Billion s of Yen*

	Profit
US\$	0.9
Euro	0.7

- Number of Employees

	Jun. 2008	Sept. 2008	Dec. 2008	Mar. 2009	Jun. 2009
Consolidated Total	78,765	78,228	78,203	76,252	75,929
				-1,951	-323

# FUJIFILM

We will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.