

## Earnings of 1Q FY2012/3 (April 1 - June 30, 2011)

FUJIFILM Holdings Corporation

July 29, 2011

### 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 FY2012/3

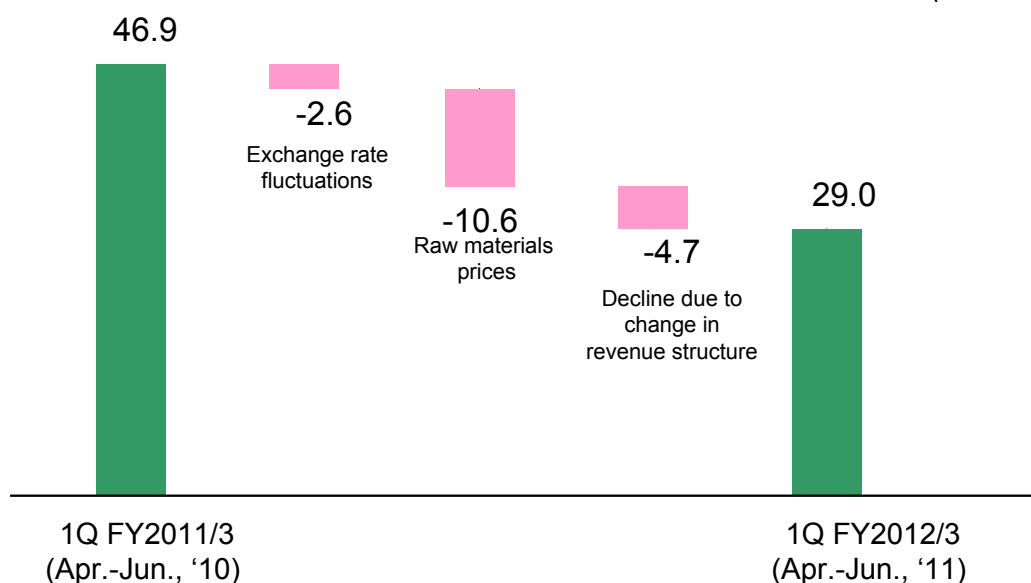
Revenue and operating income decreased due to impact of yen appreciation and decrease in demand as a result of the Great East Japan Earthquake.

(Billions of yen)	1Q FY2010/3 (Apr.'09-Jun.'09)		1Q FY2011/3 (Apr.'10-Jun.'10)		1Q FY2012/3 (Apr.'11-Jun.'11)		Change from the previous fiscal year	
							Amount	%
Revenue	100.0%	502.4	100.0%	547.4	100.0%	530.1	-17.3	-3.2
Operating Income	(0.5) %	(2.7)	8.6%	46.9	5.5%	29.0	-17.9	-38.1
Income before Income Taxes	0.2%	1.2	7.0%	38.5	5.3%	28.1	-10.4	-26.9
Net Income Attributable to FUJIFILM Holdings	(0.1) %	(0.7)	3.2%	17.8	2.7%	14.5	-3.3	-18.3
Net Income Attributable to FUJIFILM Holdings per Share		¥(1.42)		¥36.35		¥30.13		¥-6.22
Exchange Rates								
US\$		¥97		¥92		¥82		¥10
€		¥133		¥117		¥117		¥0

## ■ Analysis of Operating Income in 1Q FY2012/3

(Change from previous fiscal year)

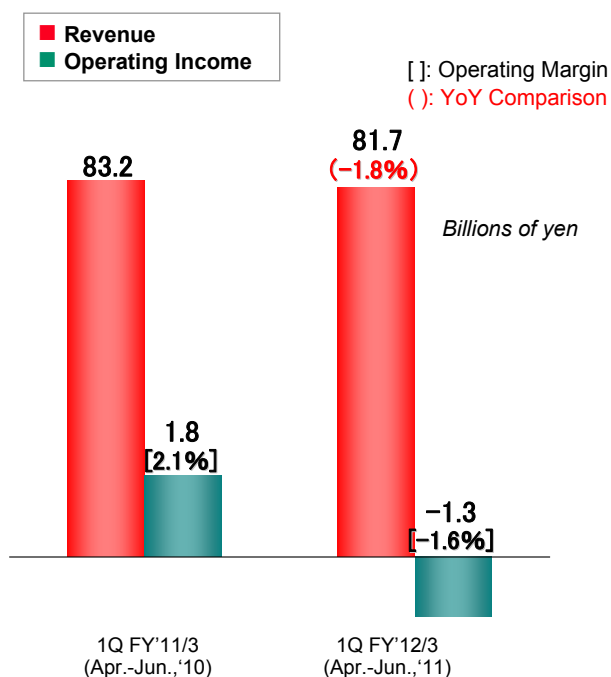
(Billions of yen)



## Operating Segments

### ■ Imaging Solutions

#### Revenue\* / Operating Income



#### Revenue

¥81.7 billion (YoY: -1.8%)  
(excluding the impact of forex: YoY +2.7%)

- Despite the strong sales of digital cameras, the impact of yen appreciation made sales revenue decrease.
- Impact of forex: -¥3.8 billion

#### Operating Income

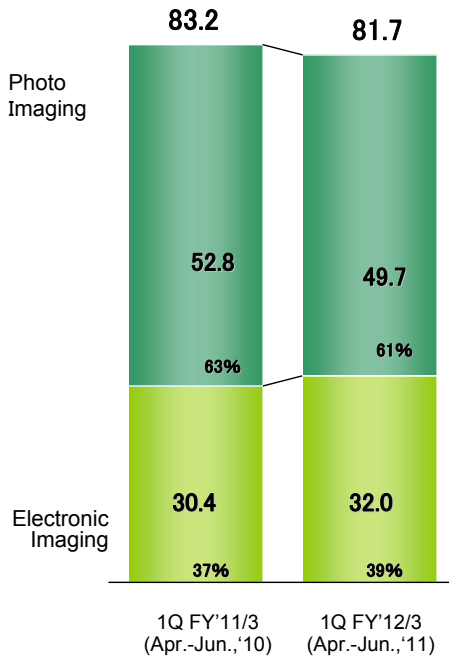
-¥1.3 billion (fallen to deficit)

- The implementation of cost reductions could not fully offset the negative impact of yen appreciation and the rise in raw material prices, especially silver, resulting in an operating loss.

## Sub-segment Revenue

Billions of yen

ℳ: Proportion of sub-segment revenue



### Photo Imaging

¥49.7 billion (YoY: -6%)

- The impact of yen appreciation and the earthquake caused sales to decline.
- In the color paper business, sales volume and market share increased due to strong sales.

### Electronic Imaging

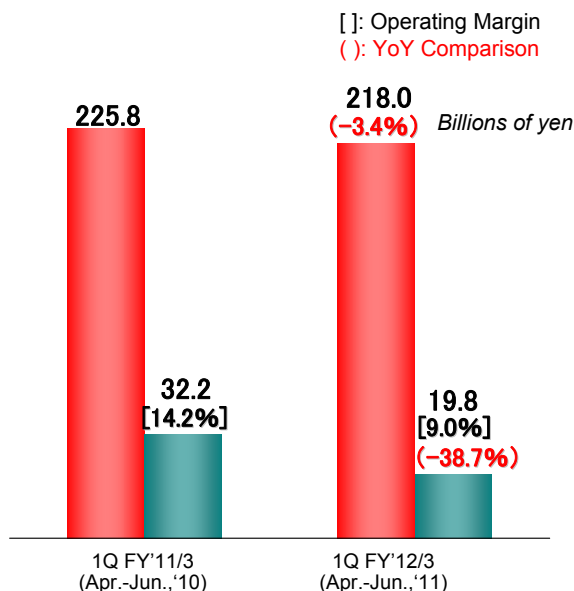
¥32.0 billion (YoY: +5%)

- Sales volume for the first quarter was approximately 2.8 million units. (YoY: +4%)
- Sales of mid-range and high-end distinctive products such as *FinePix F550EXR*, *FinePix X100*, and *FinePix S3200*, proceeded strongly, contributing to the rise in the average unit selling price.
- Enhance sales promotion of mid-range and high-end models to reinforce brand power.

## Information Solutions

### Revenue\* /Operating Income

■ Revenue  
■ Operating Income



### Revenue

¥218.0 billion (YoY: -3.4%)  
(excluding the impact of forex: YoY -0.4%)

- The impact of yen appreciation and the decline in demand caused by the earthquake made sales of major businesses decline.
- Regarding the FPD materials business, sales declined compared with the previous year when demand was particularly strong.
- Impact of forex: -¥6.8 billion

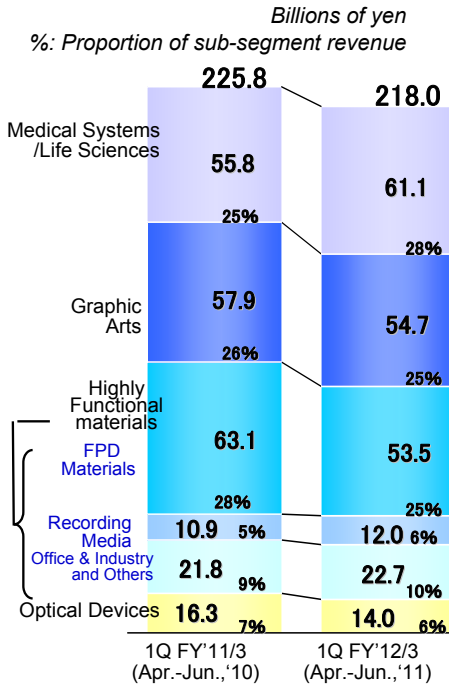
### Operating Income

¥19.8 billion (YoY: -38.7%)

- Despite the implementation of cost reductions, sales declined due to the impact of yen appreciation and the rise in raw materials such as silver and aluminum.

\*Note: After elimination of intersegment transaction

## Sub-segment Revenue



### Medical Systems / Life Sciences

¥61.1 billion (YoY: +10%)

- Sales increased despite the impact of yen appreciation.
- Compact and relatively low-priced *FCR* models sustained strong sales. In addition, the *DR CALNEO* series was expanded with the launch of the cassette-sized *DR CALNEO C 1417 Wireless* products.
- Sales of *SYNAPSE* medical-use picture archiving and communications systems increased.
- In life science business, sales increased owing to the new skin brightening product series within the *ASTALIFT*, launched in March.
- Sales of *Zosyn* and *Geninax\** proceeded strongly in the pharmaceutical field. Application for approval in Japan of *T-705* is being submitted.

### Graphic Arts

¥54.7 billion (YoY: -5%)

- Yen appreciation and the weak demand brought by the earthquake made sales decrease.
- Measures are taken to increase sales of *wide-format UV inkjet systems*.

### FPD Materials

¥53.5 billion (YoY: -15%)

- Compared with the previous quarterly period, sales are steadily increasing.
- Sales were down compared with the same quarter of the previous fiscal year, when demand was particularly strong owing to Japan's *Eco-Point* system and Chinese government policies for promoting the ownership of household electric products.

### Office & Industry and Others

¥22.7 billion (YoY: +5%)

- Sales are growing owing to electronics materials, such as color resists for image sensors and ArF immersion photoresists.

### Optical Devices

¥14.0 billion (YoY: -14%)

- Although sales increased in security camera lenses and TV camera lenses, overall sales decreased due to the decrease in camera phone lens units.

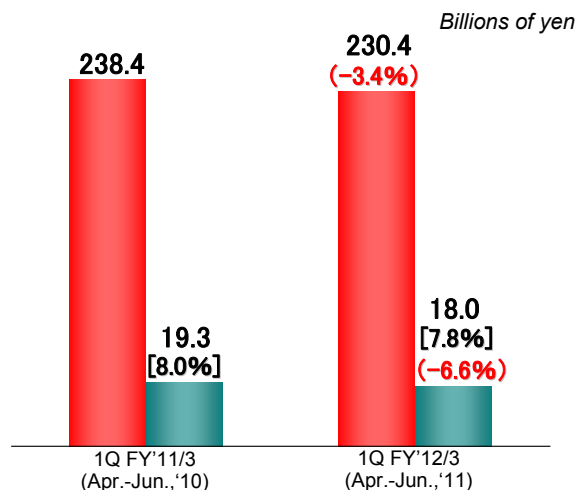
\*Zosyn: pharmaceuticals applicable to the treatment of blood poisoning, pyelonephritis, complex cystitis, and pneumonia  
Geninax: an oral drug applicable to the treatment of respiratory tract infection pathogens and otorhinolaryngological infection pathogens

## Document Solutions

### Revenue\* /Operating Income

■ Revenue  
■ Operating Income

[ ]: Operating Margin  
( ): YoY Comparison



### Revenue

¥230.4 billion (YoY: -3.4%)  
(excluding the impact of forex: YoY -1.9%)

- Sales continued to increase in the Asia-Oceania region, but domestic sales declined because of the impact of the Great East Japan Earthquake.
- Export shipments to Xerox Corporation also declined.
- Impact of forex: -¥3.4 billion

### Operating Income

¥18.0 billion (YoY: -6.6%)

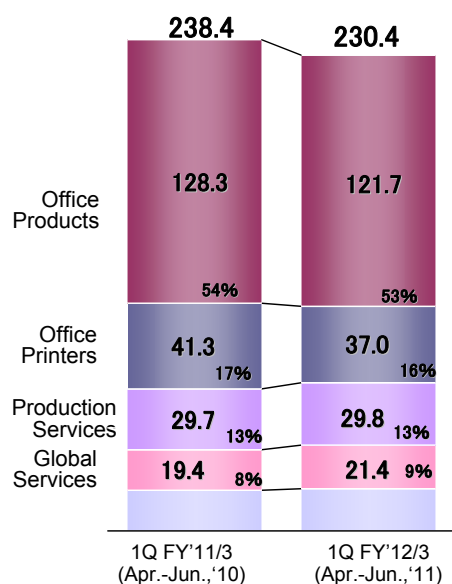
- Measures were taken to improve the use of expenditures. However, the sales decline caused operating income to decline.

\*Note: After elimination of intersegment transaction

# Operating Segments

## Sub-segment Revenue

Billions of yen  
%: Proportion of sub-segment revenue



### Office Products

¥121.7 billion (YoY: -5%)

- In Japan, a rise was seen in the sales volume of color products. The impact of the earthquake, such as electric power conservation, resulted in the decline of the number of copies being made.
- In the Asia-Oceania region, sales volume of color and monochrome products grew. Growth in full-color models shipment volume to Xerox Corporation caused an increase in total shipment volume.

### Office Printers

¥37.0 billion (YoY: -10%)

- New products brought an increase in domestic color products, and the total sales volume was maintained at the same level as in the previous year.
- In the Asia-Oceania region, reasonably priced and environment-friendly compact LED printers, launched in 2010, proceeded strongly, pushing up sales volume greatly.

### Production Services

¥29.8 billion (YoY: ±0%)

- Sales volume in Japan increased, reflecting growth in sales of light production color printing systems.
- Owing to the strong sales of entry light production color systems, the Company achieved growth in sales volume in the Asia-Oceania region.

### Global Services

¥21.4 billion (YoY: +10%)

- Sales increased, due to growth in the Asia-Oceania region.

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# Forecast for FY2012/3

(Billions of yen)	FY'11/3 Actual		FY'12/3 Forecast		Change from the previous fiscal year	
	Amount	%	Amount	%	Amount	%
Revenue	100.0	2,217.1	100.0	2,340.0	122.9	5.5
Operating Income	6.2%	136.4	6.8%	160.0	23.6	17.3
Income before Income Taxes	5.3%	117.1	6.6%	155.0	37.9	32.4
Net Income Attributable to FUJIFILM Holdings	2.9%	63.9	3.4%	80.0	16.1	25.3
Net Income Attributable to FUJIFILM Holdings per Share		¥131.30		¥166.08		¥34.78
Cash Dividends per Share		¥30		¥35		¥5
Exchange Rates		¥86		¥80		-¥6
US\$						
€		¥113		¥116		¥3

Impact of exchange rate movements on operating income (full year, ¥1 change) US\$: ¥1.1 billion €: ¥0.7 billion

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## ■ Revenue from Domestic and Overseas

(Billions of yen)	1QFY'11/3 ※		1QFY'12/3		
	Ratio (%)		Ratio (%)		YoY Change (%)
<b>Domestic</b>	<b>45.5</b>	<b>249.3</b>	<b>44.4</b>	<b>235.4</b>	<b>(5.6)</b>
The Americas	15.1	82.8	15.2	80.4	(2.9)
Europe	14.0	76.5	14.0	74.1	(3.2)
China	8.0	43.5	9.6	51.2	17.5
Asia and others	25.4	138.8	26.4	140.2	1.0
<b>Overseas</b>	<b>54.5</b>	<b>298.1</b>	<b>55.6</b>	<b>294.7</b>	<b>(1.2)</b>
<b>Consolidated total</b>	<b>100.0</b>	<b>547.4</b>	<b>100.0</b>	<b>530.1</b>	<b>(3.2)</b>

※ Some part of FY2011/3 is restated due to change in definition of destination in the contract

## ■ Capital Expenditure, Depreciation & Amortization

Billions of yen

	FY2010/3		FY2011/3		FY2012/3	
	1Q		1Q		1Q	(forecast)
Imaging	1.6	9.1	1.7	8.1	3.1	
Information	6.8	28.5	9.1	61.8	13.8	
Document	12.3	40.3	1.7	19.5	2.1	
Corporate	0.0	0.0	0.0	0.5	0.2	
<b>Capex *</b>	<b>20.7</b>	<b>77.9</b>	<b>12.5</b>	<b>89.9</b>	<b>19.2</b>	<b>130.0</b>
Imaging	5.3	21.9	2.3	10.1	2.5	
Information	23.4	99.1	19.4	77.4	17.5	
Document	16.2	73.6	16.6	65.8	14.2	
Corporate	0.1	0.5	0.1	3.8	0.7	
<b>Depreciation &amp; Amortization</b>	<b>45.0</b>	<b>195.1</b>	<b>38.4</b>	<b>157.1</b>	<b>34.9</b>	<b>175.0</b>
<b>Depreciation*</b>	<b>30.4</b>	<b>135.1</b>	<b>25.2</b>	<b>106.6</b>	<b>22.2</b>	<b>125.0</b>

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

## ■ R&D Expenses, SG&A Expenses

Billions of yen

	FY2011/3		FY2012/3	
	1Q		1Q	(forecast)
Imaging	1.9	7.6	1.7	
Information	15.8	69.7	17.5	
Document	16.2	65.4	15.7	
Corporate	5.2	22.6	5.3	
<b>R&amp;D Expenses</b>	<b>39.0</b>	<b>165.3</b>	<b>40.2</b>	<b>180.0</b>
<ratio to revenue>	7.1%	7.5%	7.6%	7.7%
<b>SG&amp;A Expenses</b>	<b>139.5</b>	<b>570.6</b>	<b>143.5</b>	<b>600.0</b>
<ratio to revenue>	25.5%	25.7%	27.0%	25.6%

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## ■ Cash Flow

Billions of yen

	1QFY2010/3	1QFY2011/3	1QFY2012/3
Net income	(0.6)	20.2	17.4
Depreciation & amortization	45.0	38.4	34.9
Change in notes and accounts receivable	35.5	30.0	29.8
Change in inventories	12.6	(25.2)	(18.2)
Change in notes and accounts payable-trade	(14.8)	(7.0)	(27.3)
Change in accrued income taxes and other liabilities	16.2	12.9	20.3
Others	1.7	14.5	(6.2)
<b>C/F from operating activities</b>	<b>95.6</b>	<b>83.8</b>	<b>50.7</b>
Capital expenditure	(19.7)	(15.7)	(24.3)
Purchases of software	(2.9)	(3.4)	(3.6)
Sales and purchases of marketable and investment securities	5.1	(6.0)	15.1
Others	(5.3)	(3.2)	(6.8)
<b>C/F from investing activities</b>	<b>(22.8)</b>	<b>(28.3)</b>	<b>(19.6)</b>
<b>Free cash flow</b>	<b>72.8</b>	<b>55.5</b>	<b>31.1</b>
<b>C/F from operating activities + Capital expenditure</b>	<b>75.9</b>	<b>68.1</b>	<b>26.4</b>

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## ■ Balance Sheet

Billions of yen

	Mar.'10	Mar.'11	Jun.'11		Mar.'10	Mar.'11	Jun.'11
Cash and cash equivalents	406.2	313.1	330.7	Short-term and long-term debt	295.6	189.6	189.1
Notes and accounts receivable	495.0	502.2	469.6	Notes and accounts payable	261.6	261.4	228.9
Inventories	303.1	342.2	358.9	Other liabilities	394.4	406.9	414.1
Marketable securities and other	206.2	153.3	153.6	<b>Total liabilities</b>	<b>951.6</b>	<b>857.9</b>	<b>832.1</b>
<b>Total current assets</b>	<b>1,410.5</b>	<b>1,310.8</b>	<b>1,312.8</b>	Total FUJIFILM Holdings shareholders' equity	1,746.1	1,722.5	1,726.4
Property, plant and equipment	601.7	564.1	556.0	Noncontrolling interests	129.7	128.4	128.4
Goodwill, net	325.9	344.4	345.7	<b>Total equity</b>	<b>1,875.8</b>	<b>1,850.9</b>	<b>1,854.8</b>
Investment securities and other	489.3	489.5	472.4	<b>Total liabilities and equity</b>	<b>2,827.4</b>	<b>2,708.8</b>	<b>2,686.9</b>
<b>Total noncurrent assets</b>	<b>1,416.9</b>	<b>1,398.0</b>	<b>1,374.1</b>				
<b>Total assets</b>	<b>2,827.4</b>	<b>2,708.8</b>	<b>2,686.9</b>				

yen

Exchange rates	Mar.'10	Mar.'11	Jun.'11
US\$	93	83	81
Euro	125	118	117

## ■ Current State of New Drug Development

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

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

Toyama Chemical has submitted an application for permission to manufacture and market in T-705 a treatment for Influenza Infections in Japan.



- Exchange Rates

Yen

	FY 2011/3				FY 2012/3		
	1Q	2Q	3Q	4Q	1Q	(forecast)	
US \$	92	86	83	82	86	82	80
€	117	111	112	113	113	117	116

- Number of Employees

	Jun. 2010	Sep.2010	Dec. 2010	Mar. 2011	Jun. 2011
<b>Consolidated Total</b>	<b>75,721</b>	<b>77,616</b>	<b>78,177</b>	<b>78,862</b>	<b>79,367</b>

# 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.

IR Office, Corporate Planning Div.  
**FUJIFILM Holdings Corporation**

Note: This document is a faithful translation into English of a financial condition-related report prepared in Japanese by FUJIFILM Holdings Corporation in accordance with Tokyo Stock Exchange guidelines. Accordingly, the explanations for each business segment may include references to products that are marketed under different product names overseas or are not marketed overseas and may also include references to product marketing periods that differ by region. "Xerox" is a registered trademark of Xerox Corporation in the U.S. and other countries. All other product names contained in this material are trademarks of their respective companies.