



Financial Results (Consolidated) for Nine months ended December 31, 2018

FUJIFILM Holdings Corporation

Kenji Sukeno

President and Chief Operating Officer

Projected date of Quarterly report: February 14, 2019

Projected date of the beginning of cash dividends: -

Reference materials regarding operating results of the current quarter to be prepared: Yes

Meeting to explain operating results of the current quarter to be held: Yes

(Consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.)

February 7, 2019

URL: <http://www.fujifilmholdings.com/>

1. Results of Nine months ended December 31, 2018 (From April 1, 2018 to December 31, 2018)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

%; Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings	
		%		%		%		%
Nine months ended Dec. 31, 2018	1,799,816	(0.5)	158,347	28.6	154,565	(11.4)	101,052	(18.8)
Nine months ended Dec. 31, 2017	1,809,682	6.9	123,150	8.1	174,539	33.7	124,510	58.1

Note: Comprehensive income

Nine months ended Dec. 31, 2018 ¥ 120,200 million (33.1%)

Nine months ended Dec. 31, 2017 ¥ 179,640 million (104.0%)

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)
	Yen	Yen
Nine months ended Dec. 31, 2018	236.96	236.25
Nine months ended Dec. 31, 2017	284.49	283.55

(2) FINANCIAL POSITION

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

	Total assets	Total equity (Net asset)	FUJIFILM Holdings shareholders' equity	FUJIFILM Holdings shareholders' equity ratio to total assets
				%
As of Dec. 31, 2018	3,413,383	2,242,117	2,041,154	59.8
As of March 31, 2018	3,492,940	2,298,706	2,079,134	59.5

2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	-	37.50	-	37.50	75.00
Year ending March 31, 2019	-	40.00	-		
Year ending March 31, 2019 (Forecast)				40.00	80.00

Note: Changes in dividends forecast during the quarter under review: None

3. Forecast for the Fiscal Year ending March 31, 2019 (From April 1, 2018 to March 31, 2019)

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

%; Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings		Net income attributable to FUJIFILM Holdings per share	
		%		%		%		%		Yen
For the Year ending March 31, 2019	2,470,000	1.5	200,000	62.2	205,000	3.6	130,000	(7.6)		305.31

Note: Changes in forecast which was recently announced: None

Note: Net income attributable to FUJIFILM Holdings per share is calculated using the number of shares issued as of September 30, 2018 excluding treasury shares for the average number of shares for the relevant period.

Notes

(1) Changes in status of material subsidiaries during this quarter

(Company newly consolidated or removed from consolidation): None

(2) Adoption of simplified method of accounting or specific accounting treatments: None

(3) Changes in accounting principles

1. Changes in accounting policies accompanied by revisions of accounting standards: Yes

2. Changes in accounting policies other than 1. above: None

(4) Number of shares outstanding (common stock)

1. Issued (including treasury stock):

2. Treasury stock:

3. Average number of shares:

As of Dec. 31, 2018	514,625,728	As of March 31, 2018	514,625,728
As of Dec. 31, 2018	100,085,160	As of March 31, 2018	84,396,402
Nine months ended Dec. 31, 2018	426,460,101	Nine months ended Dec. 31, 2017	437,654,855

This report is not reviewed.

Explanation of Appropriate Use of Forecast and Other Special Items

Statements regarding future events including forecasts of operating results are based on limited available information and reasonable assumptions as of today. The Company does not have an intention of guaranteeing the realization of the forecasts. Actual operating results are always subject to change significantly due to various matters. Assumptions for the forecasts and warnings for users of the forecasts are mentioned in the page 6, (3) Explanation on Projected Information on Forecasts of the Consolidated Operating Results in 1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER.

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1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER

(1) Explanation on Consolidated Operating Results

Amount Unit: Billions of yen

	Nine months ended December 31, 2018		Nine months ended December 31, 2017		Change	
					Amount	%
Domestic revenue	40.3%	724.7	40.5%	733.5	(8.8)	(1.2)
Overseas revenue	59.7%	1,075.1	59.5%	1,076.2	(1.1)	(0.1)
Revenue	100.0%	1,799.8	100.0%	1,809.7	(9.9)	(0.5)
Operating income	8.8%	158.3	6.8%	123.2	35.1	28.6
Income before income taxes	8.6%	154.6	9.6%	174.5	(19.9)	(11.4)
Net income attributable to FUJIFILM Holdings	5.6%	101.1	6.9%	124.5	(23.4)	(18.8)
Exchange rates (Yen / US\$)		¥111		¥112		(¥1)
Exchange rates (Yen / Euro)		¥129		¥129		¥0

Overviewing the global economy during the nine months of the fiscal year ending March 31, 2019 (April 1, 2018 through December 31, 2018), a general trend of gradual economic recovery persisted. In the U.S., a trend of economic recovery persisted steadily through an increase in personal consumption and capital investments. In Europe, a trend of gradual economic recovery maintained due to an increase in consumption and capital investments. Although the economic recovery in China seems to have slowed down, other Asian regions maintained their trend of economic recovery. In Japan, a general trend of gradual economic recovery persisted due to an improvement in the employment and income environment.

Since 2000 when the demand for photographic film, the core business, declined sharply, the Fujifilm Group (the Group) has established a business foundation that generates profits stably through drastic business restructuring, and has entered a new phase of growth. In August 2017, the Group formulated “Sustainable Value Plan 2030 (“SVP2030”), a CSR plan specifying targets for the fiscal year ending March 2031 (FY2031/3). It will contribute further to the realization of a sustainable society, with increased efforts to resolve social issues through its business activities by providing innovative technologies, products and services. Furthermore, a medium-term management plan VISION2019 was drawn up as a concrete action plan to achieve the goals in “SVP2030”. In its second year ending March 31, 2019, we will strengthen our business portfolio to increase the corporate value by achieving strong business growth in the healthcare and highly functional materials fields, and fundamentally strengthening the document business.

During the nine months of the fiscal year ending March 31, 2019, the Fujifilm Group recorded ¥1,799.8 billion in consolidated revenue (down 0.5% from the same period of the previous fiscal year), reflecting such factors as a sales decrease in the document business, despite a sales increase in the medical system business, bio CDMO business, regenerative medicine business and electronic materials business.

Operating income was ¥158.3 billion (up 28.6% from the same period of the previous fiscal year) due to such factors as an improvement of profitability and an impact of structural reforms in the document business. Consolidated income before income taxes amounted to ¥154.6 billion (down 11.4% from the same period of the previous fiscal year) and consolidated net income attributable to FUJIFILM Holdings totaled ¥101.1 billion (down 18.8% from the same period of the previous fiscal year) due to losses on valuation of investment securities and so on.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the nine months of the fiscal year were ¥111 and ¥129, respectively.

Revenue by Operating Segment

Amount Unit: Billions of yen

Segment	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Change	
			Amount	%
Imaging Solutions	303.8	297.7	6.1	2.1
Healthcare & Material Solutions	758.9	728.3	30.6	4.2
Document Solutions	737.1	783.7	(46.6)	(5.9)
Consolidated Total	1,799.8	1,809.7	(9.9)	(0.5)

Operating Income by Operating Segment

Amount Unit: Billions of yen

Segment	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Change	
			Amount	%
Imaging Solutions	48.0	49.9	(1.9)	(3.8)
Healthcare & Material Solutions	70.0	59.8	10.2	17.0
Document Solutions	66.9	36.7	30.2	82.2
Corporate Expenses and Eliminations	(26.6)	(23.2)	(3.4)	-
Consolidated Total	158.3	123.2	35.1	28.6

Imaging Solutions

In the Imaging Solutions segment, consolidated revenue amounted to ¥303.8 billion (up 2.1% from the same period of the previous fiscal year), due to a solid sales increase in each business.

Consolidated operating income amounted to ¥48.0 billion (down 3.8% from the same period of the previous fiscal year), due to such factors as advertising and promotion costs and R&D investments.

In the photo imaging business, revenue increased due to favorable sales, especially in instant photo systems which enable users to enjoy on-the-spot printing of photos, such as the instax series and instax films. *instax SQUARE SQ20*, the new hybrid instant camera capable of editing images before printing, and the global promotions featuring Taylor Swift, *instax's* global partner, contributed to the sales increase. In the high-value-added printing businesses, *Kazoku no Kiroku (Family Memories)*, the picture organizing application for smartphones and *FUJIFILM Photo Calender COYOMI*, the service for easily creating original photo calendars, were launched in Japan. The service for printing photos with multifunctional printers installed at 7-Eleven stores throughout Japan also made good progress in sales, promoting the expansion of printing market.

In the electronic imaging field of the optical device and electronic imaging business, *FUJIFILM X-T3*, launched in September 2018, contributed to a revenue growth valued for its compact and lightweight body, high-speed, high-precision auto focus function and high video function. Additionally, in November 2018, *FUJIFILM GFX 50R*, a further compact and lightweight model adopting a rangefinder style, was added to the *GFX* series of medium format mirrorless digital cameras. It is highly acclaimed for realizing both ultra-high image quality incorporating a large sensor with 51.4 million pixel and approximately 1.7 times the size of a full-size image sensor, and maneuverability.

In the optical device field, sales maintained solid for various industrial use lenses such as lenses for vehicles. In October 2018, Fujifilm announced the launch of the *CF-ZA-IS* series, consisting of ultra-high resolution lenses for machine vision cameras used at product inspection and measurement in production lines, and also the new entry into the surveillance camera market by developing *FUJIFILM SX800*, a long range surveillance camera. Further business growth is targeted by the expansion of business fields.

Healthcare & Material Solutions

In the Healthcare & Material Solutions segment, consolidated revenue amounted to ¥758.9 billion (up 4.2% from the same period of the previous fiscal year) due to a sales increase in the medical systems business, bio CDMO business, regenerative medicine business, electronic materials business and others.

Operating income amounted to ¥70.0 billion (up 17.0% from the same period of the previous fiscal year), due to an improvement of profitability in each business.

In the medical systems business, revenue increased due to strong sales in all business fields such as X-ray imaging diagnostics, medical IT, endoscopes, ultrasound diagnostics and In-Vitro Diagnostics fields (IVD). In the X-ray imaging diagnostics field, *CALNEO Xair*, a portable X-ray system, was launched in October 2018. Its superior portability with a lightweight and compact body can support taking X-ray examinations and checking images easily even in confined spaces in such cases as home care. In the medical IT field, sales of systems, particularly *SYNAPSE*, the Picture Archiving Communication Systems (PACS), were solid mainly in Japan and the U.S. In the endoscope field, sales showed steady growth especially for *LASEREO*, Fujifilm's unique endoscope systems capable of special-light illumination. In the ultrasound diagnostics field, sales for a series of ultrasound imaging diagnostic devices such as the full-flat *SonoSite S II* and the portable *SonoSite Edge II* were solid in the U.S. and strong in Europe and China. In the field of IVD, the sales of the *FUJI DRI-CHEM* series, a densitometry analysis machine, were strong in both domestic and overseas market.

In the pharmaceutical business, revenue decreased, mainly due to an influence of generic drugs in the small-molecular drugs. On October 1, 2018, Fujifilm merged TOYAMA CHEMICAL, a company conducting the research, development, manufacture and sales of small molecule pharmaceutical products, and FUJIFILM RI Pharma, a company conducting the research, development, manufacture and sales of radiopharmaceuticals, to form FUJIFILM Toyama Chemical in order to accelerate the development of new therapeutic and diagnostic drugs.

In the bio CDMO business, the sales in the contract process development and manufacturing business for biopharmaceuticals progressed favorably. The commencement of operation at the production facility in the U.S. last year and the expansion of facility in the UK for the development of production processes contributed to the revenue growth. In addition, the plans were announced to invest approximately ¥10 billion over two years, starting in January 2019 for business expansion through continuous enhancement of production capacity and development of technologies for high efficiency and productivity.

In the regenerative medicine business, Fujifilm acquired Irvine Scientific Sales Company and IS JAPAN, leading companies in cell culture media in June 2018. The sales of cell culture media for bio pharmaceuticals provided by both companies progressed favorably, contributing to the revenue growth. In addition, FUJIFILM Cellular Dynamics, Inc., a US subsidiary of Fujifilm, decided to establish a new cGMP-compliant* production facility of iPS cells for cell therapy with an investment of about ¥2.5 billion in total. The production capacity for therapeutic regenerative medicine will be built in Japan and the U.S. in order to accelerate the expansion of regenerative medicine to the industrial stage.

* An abbreviation of current Good Manufacturing Practice, the most recent rules and regulations for manufacturing and quality control of pharmaceuticals and quasi-drugs as determined by the US Food and Drug Administration (FDA).

In the life sciences business, it was announced in November 2018 that *ASTALIFT D-UV Clear WHITE Solution* with the highest UV protection effect in the *ASTALIFT* series, and a revamped *ASTALIFT WHITE Essence Infilt* with enhanced beauty effect would be launched in March 2019. In the supplements field, sales were solid primarily for the *MetabARRIER* series.

Regarding the display materials business, revenue increased reflecting such factors as the solid sales of TAC products and the favorable sales of products for touch-panels.

In the industrial products business, the sales of *EXCLEAR*, touch-panel sensor films, were strong, and the sales of *Prescale*, pressure measurement films, were also solid.

Revenue in the electronic materials business increased, reflecting continued strong sales of such advanced products as photo resists, peripheral materials related to photolithography, CMP slurries, Image Sensor Color Mosaic and others. For further business growth, it was announced that the facilities would be expanded for the development, manufacture and quality assurance of cutting-edge semiconductor materials at FUJIFILM Electronic Materials U.S.A., Inc., the U.S. subsidiary for developing, manufacturing and marketing semiconductor materials. The amount of investments planned is approximately ¥10 billion over three years, starting in December 2018.

In the fine chemical business, revenue increased in the sales of laboratory chemicals for research institutes and contract services for inspections and analysis in the life science field, and the sales of other fine chemicals were also solid.

In the recording media business, revenue decreased due to such factors as the inventory adjustment of magnetic tapes for high-capacity data storage. Fujifilm is expanding the sales of magnetic tapes for data storage using unique technologies such as barium ferrite (BaFe) particles and also providing the data archive services such as *dternity*, to certainly meet customers' needs in this big data era.

In the graphic systems business, revenue decreased mainly due to a decline in total demand of graphic arts film and CTP plates. In the printing plates field, we are expanding the sales of environmentally responsive products, including *ZN-II*, a newly launched process-less plate for newspaper. In the digital printing field, sales expansion is targeted for digital press in the commercial and packaging printing market, and for wide-format printers in the sign displays and industrial printing market.

In the inkjet business, revenue decreased due to such factors as the inventory adjustment of industrial inkjet printheads at customers. Fujifilm plans to expand its business not only in the existing commercial printing and sign display field, but also in new areas such as textile and packaging by providing unique products.

Document Solutions

In the Document Solutions segment, consolidated revenue amounted to ¥737.1 billion (down 5.9% from the same period of the previous fiscal year) due to such factors as a reduction in low-profitability parts of the low-end office printer business, and a change in an accounting method for recognizing revenue from purchased products.

Operating income amounted to ¥66.9 billion (up 82.2% from the same period of the previous fiscal year) due to improved profitability, a positive impact from structural reforms and so on.

Regarding the office products field of the office products and printers business, overall sales volume decreased from the same period of the previous fiscal year, although the sales of a multifunction device developed for the Chinese market remained solid. In the office printers field, sales volume decreased due to a reduction in low-profitability parts of low-end printers business.

In the production services business, though the overall number of sales units fell from the same period of the previous fiscal year, sales remained strong for an on-demand production color printer called the *Iridesse™ Production Press* mainly in the U.S. and Europe. In January 2019, Fuji Xerox announced the launch of *11000 Inkjet Press*, a high-speed roll color inkjet printer for commercial printing with image quality comparable to that of offset printing. Its sales start from February 2019 in Japan, with an aim for further growth by expanding the digitalization of commercial printing.

In the solutions and services business, though the sales of BPO (Business Process Outsourcing) contracts and business-specific solutions showed steady growth, overall revenue decreased due to a change in an accounting method for recognizing revenue from purchased products. With the new value creation strategy called *Smart Work Innovation*, Fuji Xerox launched *Smart Cyber Security* in October 2018, a high-quality, high-confidence cloud security service that enables secure connections from outside such as satellite offices and stable transmission of large-volume data required in TV conferences and so on. We aim further growth in the service field by continuously providing services that support our customers in diversification of work styles.

(2) Explanation on the Consolidated Financial Position

At the end of the third quarter of the fiscal year ending March 31, 2019, total assets decreased by ¥79.6 billion, compared with the end of the previous fiscal year, to ¥3,413.4 billion, owing to decrease in cash and cash equivalents and other factors. Total liabilities decreased by ¥23.0 billion, compared with the end of the previous fiscal year, to ¥1,171.3 billion. FUJIFILM Holdings shareholders' equity decreased by ¥38.0 billion, compared with the end of the previous fiscal year, to ¥2,041.2 billion. As a result, the current ratio increased by 9.4 percentage points, to 289.5%, the debt-equity ratio remained at 57.4%, and the equity ratio increased by 0.3 percentage points, to 59.8%, compared with the end of the previous fiscal year. Fujifilm is maintaining a stable level of asset liquidity and a sound capital structure.

(Cash Flows)

Amount Unit: Billions of yen

	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Change
Net cash provided by operating activities	143.6	155.7	(12.1)
Net cash used in investing activities	(159.4)	(171.4)	12.0
Net cash used in financing activities	(103.1)	(222.9)	119.8

During the third quarter of the fiscal year ending March 31, 2019, net cash provided by operating activities totaled ¥143.6 billion, due to a decrease in notes and accounts receivable and so on. Net cash used in investing activities amounted to ¥159.4 billion, due to the acquisition of Irvine Scientific Sales Company and IS JAPAN, and other factors. Thus, free cash flows—or the sum of cash flows from operating and investing activities—were ¥(15.8) billion. Net cash used in financing activities amounted to ¥103.1 billion, due to purchases of stock for treasury, capital transactions with noncontrolling interests and other factors.

As a result, cash and cash equivalents at the end of the quarter under review amounted to ¥649.6 billion, down ¥118.6 billion from the end of the previous fiscal year.

(3) Explanation on Projected Information on Forecasts of the Consolidated Operating Results

Regarding the consolidated performance in the fiscal year ending March 31, 2019, the Group projects ¥2,470.0 billion in revenue (up 1.5% from the previous fiscal year), operating income of ¥200.0 billion (up 62.2% from the previous fiscal year), income before income taxes of ¥205.0 billion (up 3.6% from the previous fiscal year), and net income attributable to FUJIFILM Holdings of ¥130.0 billion (down 7.6% from the previous fiscal year).

The projected currency exchange rates for the U.S. dollar and the euro against the yen during the fiscal year ending March 31, 2019 are ¥111 and ¥130, respectively.

2. MATTERS RELATING TO SUMMARY (OTHER) INFORMATION

(1) Changes in Status of Material Subsidiaries during This Quarter (Company Newly Consolidated or Removed from Consolidation): None

(2) Adoption of Simplified Method of Accounting or Specific Accounting Treatments: None

(3) Changes in Accounting Principles: Yes

In May 2014, U.S. Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2014-09 "Revenue from Contracts with Customers" and subsequently revised a part of it. These standards define a revenue recognition model consisting of five steps to recognize revenues arising from contracts with all customers except for some exceptions. We have applied these standards from the first quarter of the fiscal year ending March 31, 2019 (commencing on April 1, 2018). Upon adoption of these standards, we applied a method that recognizes the cumulative effect of adopting these standards on the effective date of adoption, which is accepted as transitional measures. As a result of identifying performance obligations under contracts with customers, some of sales promotion expenses, etc., which are consideration paid by the Group to customers and were previously accounted for as selling, general and administrative expenses, are deducted from revenue from the first quarter of the consolidated accounting period. As a result, in the quarterly consolidated statements of income for the nine months and the third quarter of the current fiscal year, revenue and selling, general and administrative expenses decreased by ¥3,101 million and ¥1,013 million, respectively, compared with those with the previous accounting standards applied. There is no impact on operating profit or quarterly earnings. In addition, out of the revenue in the nine months and the third quarter of the current fiscal year, those recognized from lease contracts amounted to ¥40,581 million and ¥12,871 million, respectively.

In January 2016, U.S. Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-01 "Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities". These standards require that equity investments be measured at fair value and their changes be recognized in profit or loss, with the exception of equity method investments and consolidated investments. We have applied these standards from the first quarter of the fiscal year ending March 31, 2019 (commencing on April 1, 2018). Upon adoption of these standards, we adjusted the unrealized gains of ¥ 18,976 million (net

of tax) related to equity investment, which was recognized as accumulated other comprehensive income, as the cumulative effect on retained earnings at the beginning of the year.

In October 2016, U.S. Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-16 "Income Taxes – Intra-Entity Transfers of Assets Other Than Inventory". These standards require the tax effect to be recognized at the time of intra-entity transfers of assets other than inventory. Under the current accounting standards, tax effects on assets other than inventory are not recognized until the asset is transferred to a third party. These standards require the cumulative effect to be applied by a method of adjusting the retained earnings at the beginning of the first year of adoption. We have applied these standards from the first quarter of the fiscal year ending March 31, 2019 (commencing on April 1, 2018). The adoption of the Accounting Standards Update 2016-16 has no significant impact on our operating results and financial conditions.

In March 2017, U.S. Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2017-07 "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost". These standards require that periodic pension cost and net periodic postretirement benefit cost be classified into the service cost components and other components, and the service cost components be presented in the same item as employee compensation cost, and the other components in non-operating income and expenses. Also, it is not permitted to capitalize components other than service costs. These standards require that provisions to separately present the service cost components and other components be applied retroactively and that provisions allowing capitalization of only service cost components be applied prospectively. We have applied these standards from the first quarter of the fiscal year ending March 31, 2019 (commencing on April 1, 2018). As a result of the adoption of these standards, operating income will decline and non-operating income and expenses will increase during the nine months and the third quarter consolidated accounting period of the fiscal year ended March 31, 2017 and the nine months and the third quarter consolidated accounting period of the fiscal year ended March 31, 2018. The impact amounts are ¥4,427 million, ¥5,437 million, ¥1,891 million and ¥1,898 million, respectively.

3. OVERVIEW OF MATERIAL EVENTS REGARDING THE GOING CONCERN ASSUMPTION: NONE

Note: This document is a faithful translation into English of an earnings 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 United States and other countries. All other product names contained in this material are trademarks of their respective companies.

4. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

Amount Unit: Millions of yen

	As of December 31, 2018	As of March 31, 2018	Change
ASSETS			
Current assets:			
Cash and cash equivalents	649,634	768,246	(118,612)
Notes and accounts receivable:			
Trade and finance	620,932	634,851	(13,919)
Affiliated companies	5,761	15,010	(9,249)
Allowance for doubtful receivables	(30,560)	(30,811)	251
	596,133	619,050	(22,917)
Inventories	403,272	361,321	41,951
Prepaid expenses and Other	96,636	112,185	(15,549)
Total current assets	1,745,675	1,860,802	(115,127)
Investments and long-term receivables:			
Investments in and advances to affiliated companies	23,837	33,269	(9,432)
Investment securities	91,388	87,180	4,208
Long-term finance and other receivables	109,861	122,219	(12,358)
Allowance for doubtful receivables	(3,626)	(3,512)	(114)
Total investments and long-term receivables	221,460	239,156	(17,696)
Property, plant and equipment:			
Land	99,112	99,108	4
Buildings	686,262	720,853	(34,591)
Machinery and equipment and other	1,462,291	1,644,568	(182,277)
Construction in progress	33,580	28,863	4,717
	2,281,245	2,493,392	(212,147)
Less accumulated depreciation	(1,760,335)	(1,955,847)	195,512
Total property, plant and equipment	520,910	537,545	(16,635)
Other assets:			
Goodwill, net	654,706	591,568	63,138
Other intangible assets, net	148,411	127,137	21,274
Other	122,221	136,732	(14,511)
Total other assets	925,338	855,437	69,901
Total assets	3,413,383	3,492,940	(79,557)

Amount Unit: Millions of yen

	As of December 31, 2018	As of March 31, 2018	Change
LIABILITIES			
Current liabilities:			
Short-term debt	96,313	41,676	54,637
Notes and accounts payable:			
Trade	215,926	224,012	(8,086)
Construction	19,118	21,169	(2,051)
Affiliated companies	1,696	3,367	(1,671)
	236,740	248,548	(11,808)
Accrued income taxes	15,683	28,226	(12,543)
Accrued liabilities	158,152	219,723	(61,571)
Other current liabilities	96,056	126,044	(29,988)
Total current liabilities	602,944	664,217	(61,273)
Long-term liabilities:			
Long-term debt	451,991	412,502	39,489
Accrued pension and severance costs	39,325	45,193	(5,868)
Other long-term liabilities	77,006	72,322	4,684
Total long-term liabilities	568,322	530,017	38,305
Total liabilities	1,171,266	1,194,234	(22,968)
EQUITY			
FUJIFILM Holdings shareholders' equity	40,363	40,363	-
Common stock, without par value:			
Authorized: 800,000,000 shares			
Issued: 514,625,728 shares			
Additional paid-in capital	24,391	79,153	(54,762)
Retained earnings	2,487,964	2,383,793	104,171
Accumulated other comprehensive income (loss)	(100,946)	(87,783)	(13,163)
Treasury stock, at cost	(410,618)	(336,392)	(74,226)
Total FUJIFILM Holdings shareholders' equity	2,041,154	2,079,134	(37,980)
Noncontrolling interests	200,963	219,572	(18,609)
Total equity	2,242,117	2,298,706	(56,589)
Total liabilities and equity	3,413,383	3,492,940	(79,557)

Note: Details of accumulated other comprehensive income (loss)

	As of December 31, 2018	As of March 31, 2018	Change
Unrealized gains (losses) on securities	(3)	18,976	(18,979)
Foreign currency translation adjustments	(1,389)	(3,786)	2,397
Pension liability adjustments	(99,259)	(102,524)	3,265
Unrealized gains (losses) on derivatives	(295)	(449)	154

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

Nine months ended December 31

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
					Amount	%
	%		%			
Revenue	100.0	1,799,816	100.0	1,809,682	(9,866)	(0.5)
Cost of sales	58.1	1,045,376	59.8	1,081,794	(36,418)	(3.4)
Gross profit	41.9	754,440	40.2	727,888	26,552	3.6
Operating expenses:						
Selling, general and administrative	26.7	480,288	26.9	486,760	(6,472)	(1.3)
Research and development	6.4	115,805	6.5	117,978	(2,173)	(1.8)
	33.1	596,093	33.4	604,738	(8,645)	(1.4)
Operating income	8.8	158,347	6.8	123,150	35,197	28.6
Other income (expenses):						
Interest and dividend income		4,054		4,730	(676)	
Interest expense		(2,813)		(3,714)	901	
Foreign exchange gains (losses), net		(2,540)		668	(3,208)	
Gains (losses) on equity securities, net		(5,437)		19,310	(24,747)	
Other, net		2,954		30,395	(27,441)	
	(0.2)	(3,782)	2.8	51,389	(55,171)	(107.4)
Income before income taxes	8.6	154,565	9.6	174,539	(19,974)	(11.4)
Income taxes	2.2	38,848	2.2	40,602	(1,754)	(4.3)
Equity in net earnings (losses) of affiliated companies	(0.0)	(1,329)	(0.0)	(21)	(1,308)	6,228.6
Net income	6.4	114,388	7.4	133,916	(19,528)	(14.6)
Less: Net (income) loss attributable to the noncontrolling interests	(0.8)	(13,336)	(0.5)	(9,406)	(3,930)	41.8
Net income attributable to FUJIFILM Holdings	5.6	101,052	6.9	124,510	(23,458)	(18.8)

Three months ended December 31

Amount Unit: Millions of yen

	Three months ended December 31, 2018 From October 1, 2018 To December 31, 2018		Three months ended December 31, 2017 From October 1, 2017 To December 31, 2017		Change	
					Amount	%
	%		%			
Revenue	100.0	627,073	100.0	621,744	5,329	0.9
Cost of sales	57.3	359,540	59.0	366,812	(7,272)	(2.0)
Gross profit	42.7	267,533	41.0	254,932	12,601	4.9
Operating expenses:						
Selling, general and administrative	25.0	156,799	26.6	165,297	(8,498)	(5.1)
Research and development	5.8	36,317	6.2	38,823	(2,506)	(6.5)
Operating income	30.8	193,116	32.8	204,120	(11,004)	(5.4)
Operating income	11.9	74,417	8.2	50,812	23,605	46.5
Other income (expenses):						
Interest and dividend income		1,349		1,740	(391)	
Interest expense		(877)		(1,085)	208	
Foreign exchange gains (losses), net		(2,666)		(778)	(1,888)	
Gains (losses) on equity securities, net		(14,225)		19,017	(33,242)	
Other, net		(2,264)		4,666	(6,930)	
Income before income taxes	(3.0)	(18,683)	3.8	23,560	(42,243)	(179.3)
Income before income taxes	8.9	55,734	12.0	74,372	(18,638)	(25.1)
Income taxes	2.4	15,324	2.8	17,503	(2,179)	(12.4)
Equity in net earnings (losses) of affiliated companies	(0.1)	(199)	(0.1)	(411)	212	(51.6)
Net income	6.4	40,211	9.1	56,458	(16,247)	(28.8)
Less: Net (income) loss attributable to the noncontrolling interests	(0.7)	(4,653)	(0.5)	(2,847)	(1,806)	63.4
Net income attributable to FUJIFILM Holdings	5.7	35,558	8.6	53,611	(18,053)	(33.7)

(Consolidated Statements of Comprehensive Income)**Nine months ended December 31**

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018	Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017	Change
Net income	114,388	133,916	(19,528)
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	(3)	1,538	(1,541)
Foreign currency translation adjustments	1,860	40,224	(38,364)
Pension liability adjustments	3,844	3,542	302
Unrealized gains (losses) on derivatives	111	420	(309)
Total	5,812	45,724	(39,912)
Comprehensive income (loss)	120,200	179,640	(59,440)
Less: Comprehensive (income) loss attributable to noncontrolling interests	(13,335)	(13,710)	375
Comprehensive income (loss) attributable to FUJIFILM Holdings	106,865	165,930	(59,065)

Three months ended December 31

Amount Unit: Millions of yen

	Three months ended December 31, 2018 From October 1, 2018 To December 31, 2018	Three months ended December 31, 2017 From October 1, 2017 To December 31, 2017	Change
Net income	40,211	56,458	(16,247)
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	(6)	(6,396)	6,390
Foreign currency translation adjustments	(28,601)	9,472	(38,073)
Pension liability adjustments	1,254	1,965	(711)
Unrealized gains (losses) on derivatives	(121)	(26)	(95)
Total	(27,474)	5,015	(32,489)
Comprehensive income (loss)	12,737	61,473	(48,736)
Less: Comprehensive (income) loss attributable to noncontrolling interests	(2,748)	(4,338)	1,590
Comprehensive income (loss) attributable to FUJIFILM Holdings	9,989	57,135	(47,146)

(3) Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018	Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017	Change
Operating activities			
Net income	114,388	133,916	(19,528)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	95,572	95,347	225
Gain on remeasurement of step acquisitions	-	(20,838)	20,838
(Gains) losses on equity securities, net	5,437	(19,310)	24,747
Equity in net (gains) losses of affiliated companies, net of dividends received	5,584	1,323	4,261
Changes in operating assets and liabilities:			
Notes and accounts receivable	20,254	47,849	(27,595)
Inventories	(41,201)	(35,109)	(6,092)
Notes and accounts payable - trade	(5,960)	(30,571)	24,611
Accrued income taxes and other liabilities	(85,218)	(25,449)	(59,769)
Other	34,705	8,522	26,183
Subtotal	29,173	21,764	7,409
Net cash provided by operating activities	143,561	155,680	(12,119)
Investing activities			
Purchases of property, plant and equipment	(47,099)	(48,431)	1,332
Purchases of software	(13,696)	(12,353)	(1,343)
Proceeds from sales and maturities of marketable and investment securities	2,347	29,353	(27,006)
Purchases of marketable and investment securities	(12,260)	(3,665)	(8,595)
(Increase) decrease in time deposits, net	(3,942)	(2,589)	(1,353)
(Increase) decrease in investments in and advances to affiliated companies	(3,539)	(2,004)	(1,535)
Acquisitions of businesses, net of cash acquired	(84,310)	(126,936)	42,626
Other	3,101	(4,731)	7,832
Net cash used in investing activities	(159,398)	(171,356)	11,958
Financing activities			
Proceeds from long-term debt	100,036	503	99,533
Repayments of long-term debt	(1,143)	(162,293)	161,150
Increase (decrease) in short-term debt, net	(7,285)	6,271	(13,556)
Cash dividends paid to shareholders	(33,166)	(31,714)	(1,452)
Subsidiaries' cash dividends paid to noncontrolling interests	(7,752)	(6,521)	(1,231)
Net purchases of stock for treasury	(75,403)	(29,432)	(45,971)
Capital transactions with noncontrolling interests and other	(78,413)	317	(78,730)
Net cash used in financing activities	(103,126)	(222,869)	119,743
Effect of exchange rate changes on cash and cash equivalents	351	14,778	(14,427)
Net decrease in cash and cash equivalents	(118,612)	(223,767)	105,155
Cash and cash equivalents at beginning of period	768,246	875,958	(107,712)
Cash and cash equivalents at end of period	649,634	652,191	(2,557)

(4) Notes to Consolidated Financial Statements**Note Relating to the Going Concern Assumption**

N/A

Segment Information**1. Nine months ended December 31****(A) Operating Segment Information****a. Revenue**

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
	%		%		Amount	%
Revenue:						
Imaging Solutions:						
External customers	16.9	303,833	16.5	297,727	6,106	2.1
Intersegment		1,623		1,781	(158)	-
Total		305,456		299,508	5,948	2.0
Healthcare & Material Solutions:						
External customers	42.1	758,854	40.2	728,261	30,593	4.2
Intersegment		1,118		639	479	-
Total		759,972		728,900	31,072	4.3
Document Solutions:						
External customers	41.0	737,129	43.3	783,694	(46,565)	(5.9)
Intersegment		6,272		5,664	608	-
Total		743,401		789,358	(45,957)	(5.8)
Eliminations		(9,013)		(8,084)	(929)	-
Consolidated total	100.0	1,799,816	100.0	1,809,682	(9,866)	(0.5)

b. Operating income

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
	%		%		Amount	%
Operating Income:						
Imaging Solutions	15.7	47,977	16.6	49,855	(1,878)	(3.8)
Healthcare & Material Solutions	9.2	70,018	8.2	59,831	10,187	17.0
Document Solutions	9.0	66,915	4.7	36,727	30,188	82.2
Total		184,910		146,413	38,497	26.3
Corporate expenses and eliminations		(26,563)		(23,263)	(3,300)	-
Consolidated total	8.8	158,347	6.8	123,150	35,197	28.6

Note: The major products and services of each operating segment are as follows:

- Imaging Solutions: Color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems and optical devices
- Healthcare & Material Solutions: Equipment and materials for medical systems, cosmetics and supplements, pharmaceuticals, contract development and manufacturing organization of biopharmaceuticals, regenerative medicine, fine chemicals, equipment and materials for graphic arts, inks and industrial inkjet printheads, display materials, recording media, electronic materials
- Document Solutions: Digital MFPs, publishing systems, document management software and related solutions and services

(B) Geographic Information**a. Revenue**

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
	%		%		Amount	%
Revenue:						
Japan:						
External customers	47.7	859,397	48.4	875,891	(16,494)	(1.9)
Intersegment		379,282		372,091	7,191	-
Total		1,238,679		1,247,982	(9,303)	(0.7)
The Americas:						
External customers	19.3	347,307	18.9	341,700	5,607	1.6
Intersegment		38,912		35,507	3,405	-
Total		386,219		377,207	9,012	2.4
Europe:						
External customers	10.3	184,674	9.6	174,174	10,500	6.0
Intersegment		14,157		13,924	233	-
Total		198,831		188,098	10,733	5.7
Asia and others:						
External customers	22.7	408,438	23.1	417,917	(9,479)	(2.3)
Intersegment		219,909		232,089	(12,180)	-
Total		628,347		650,006	(21,659)	(3.3)
Eliminations		(652,260)		(653,611)	1,351	-
Consolidated total	100.0	1,799,816	100.0	1,809,682	(9,866)	(0.5)

b. Operating income

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
	%		%		Amount	%
Operating Income (Loss):						
Japan	7.2	89,181	5.5	68,732	20,449	29.8
The Americas	4.1	15,860	4.0	15,152	708	4.7
Europe	4.2	8,393	4.4	8,343	50	0.6
Asia and others	8.5	53,130	5.7	36,937	16,193	43.8
Eliminations		(8,217)		(6,014)	(2,203)	-
Consolidated total	8.8	158,347	6.8	123,150	35,197	28.6

c. Overseas revenue (Destination Base)

Amount Unit: Millions of yen

	Nine months ended December 31, 2018 From April 1, 2018 To December 31, 2018		Nine months ended December 31, 2017 From April 1, 2017 To December 31, 2017		Change	
					Amount	%
Revenue:	%		%			
Domestic	40.3	724,660	40.5	733,491	(8,831)	(1.2)
Overseas:						
The Americas	19.6	353,699	19.6	354,094	(395)	(0.1)
Europe	13.2	237,154	12.9	233,135	4,019	1.7
Asia and others	26.9	484,303	27.0	488,962	(4,659)	(1.0)
Subtotal	59.7	1,075,156	59.5	1,076,191	(1,035)	(0.1)
Consolidated total	100.0	1,799,816	100.0	1,809,682	(9,866)	(0.5)

Note: The presentation of the overseas revenue (Destination Base) has been classified and disclosed based on the customer's location.

2. Three months ended December 31**(A) Revenue by Operating Segment**

Amount Unit: Millions of yen

	Three months ended December 31, 2018 From October 1, 2018 To December 31, 2018		Three months ended December 31, 2017 From October 1, 2017 To December 31, 2017		Change	
					Amount	%
Revenue:	%		%			
Imaging Solutions	20.4	127,921	19.8	122,889	5,032	4.1
Healthcare & Material Solutions	41.4	259,793	39.8	247,484	12,309	5.0
Document Solutions	38.2	239,359	40.4	251,371	(12,012)	(4.8)
Consolidated total	100.0	627,073	100.0	621,744	5,329	0.9

Note: The major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems and optical devices
Healthcare & Material Solutions	Equipment and materials for medical systems, cosmetics and supplements, pharmaceuticals, contract development and manufacturing organization of biopharmaceuticals, regenerative medicine, fine chemicals, equipment and materials for graphic arts, inks and industrial inkjet printheads, display materials, recording media, electronic materials
Document Solutions	Digital MFPs, publishing systems, document management software and related solutions and services

(B) Overseas Revenue (Destination Base)

Amount Unit: Millions of yen

	Three months ended December 31, 2018 From October 1, 2018 To December 31, 2018		Three months ended December 31, 2017 From October 1, 2017 To December 31, 2017		Change	
					Amount	%
Revenue:	%		%			
Domestic	38.9	243,873	39.2	243,970	(97)	(0.0)
Overseas:						
The Americas	21.3	133,675	20.0	124,109	9,566	7.7
Europe	13.8	86,763	14.2	88,695	(1,932)	(2.2)
Asia and others	26.0	162,762	26.6	164,970	(2,208)	(1.3)
Subtotal	61.1	383,200	60.8	377,774	5,426	1.4
Consolidated total	100.0	627,073	100.0	621,744	5,329	0.9

Note on Significant Changes to FUJIFILM Holdings Shareholders' Equity

N/A