



Forecast for FY2011/3 and the Strategies for Growth

FUJIFILM Holdings Corporation

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April 30, 2010

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.

Economic conditions bottomed out during the first half of fiscal year ended March 2010(FY2010/3) and have been generally showing a gradual improvement since then. However, the recovery power in the markets is still insufficient in some fields; so, only a patchy pattern of improvement has been seen.

Viewing the current economic crisis as a good opportunity, Fujifilm is resolutely implementing structural reforms and steadily advancing with the execution of growth strategies. As a result, the Company has moved forward with the transformation of its profit structure.

I will now explain our reform measures aimed at transforming our corporate constitution along with our fiscal year ending March 2011(FY2011/3) growth strategies.

Implementing business structure transformation measures and advancing to the starting line for renewed growth

Realizing a robust corporate constitution

- ✓ Completing structural reforms
- ✓ Improvement of asset/capital efficiency
- ✓ Thorough cutting costs and reduction of expenses

Intensive investment in growth fields

- ✓ Growth strategies in priority businesses
- ✓ Concentrated investment of management resources and introduction of products for business in the NIEs



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First, I will overview the measures taken in FY2010/3.

We had implemented structural reforms in our photographic business and were on the brink of generally completing the rebuilding of our profit structure when we were faced with the global economic crisis in the fall of 2008.

It would not be an exaggeration to say that the scale of global business shrank by roughly 20% at that time.

To ensure our survival amid such a harsh management environment and rapidly build a robust corporate constitution, we resolutely chose to implement Companywide structural reforms throughout all our businesses, and we quickly began implementing associated reform measures.

Concurrently, we introduced ROA-based indicators to improve the efficiency of our asset and capital utilization, and we worked to enhance our profitability through thorough cost reductions and expense reductions.

At the same time as we embarked on these challenging and difficult reform programs, we have continued to make investments designed to promote business growth.

While it has been an extremely difficult year, our various efforts have enabled the completion of a firm management base, and we now consider ourselves to be standing on a new starting line, ready for renewed efforts to accelerate our growth.

Completion of structural reforms toward realizing a robust corporate structure

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Smoothly progressing with structural reforms implemented during FY2010/3 to bring the reforms to completion during FY2011/3

(Billions of yen)

	Measures	Expenses	
		FY'10/3 A	FY'11/3 F
Imaging	<ul style="list-style-type: none"> ✓Reducing the assets such as color paper facilities ✓Consolidation of photo laboratories ✓Tightening product-variety focus 	54.1	10.0
Information	<ul style="list-style-type: none"> ✓ Streamlining personnel, reduction of assets 	64.3	2.0
Document	<ul style="list-style-type: none"> ✓Promote the optimization of manufacturing functions and additional reductions to the cost of sales ✓Expand the scope of management innovation activities to overseas regions 	25.3	13.0
		143.7	25.0

Accumulated benefit		
FY'10/3(A)	FY'11/3(F)	FY'12/3(F)
38.0	83.0	90.0

YoY improvement

45.0 7.0

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At this point, I will explain our structural reforms.

The Company proceeded with concentrated structural reforms during FY 2010/3, and we anticipate that these reforms will be concluded during FY 2011/3.

The benefits achieved regarding the reduction of expenses and fixed costs are as shown.

By individual principal business fields, with respect to photographic business, we have almost completed our manufacturing facility asset reduction plans, and the book amounts for those assets is approaching zero. In FY 2011/3, we will be recording some necessary expenses related to a certain amount of remaining consolidation efforts associated with photo laboratories.

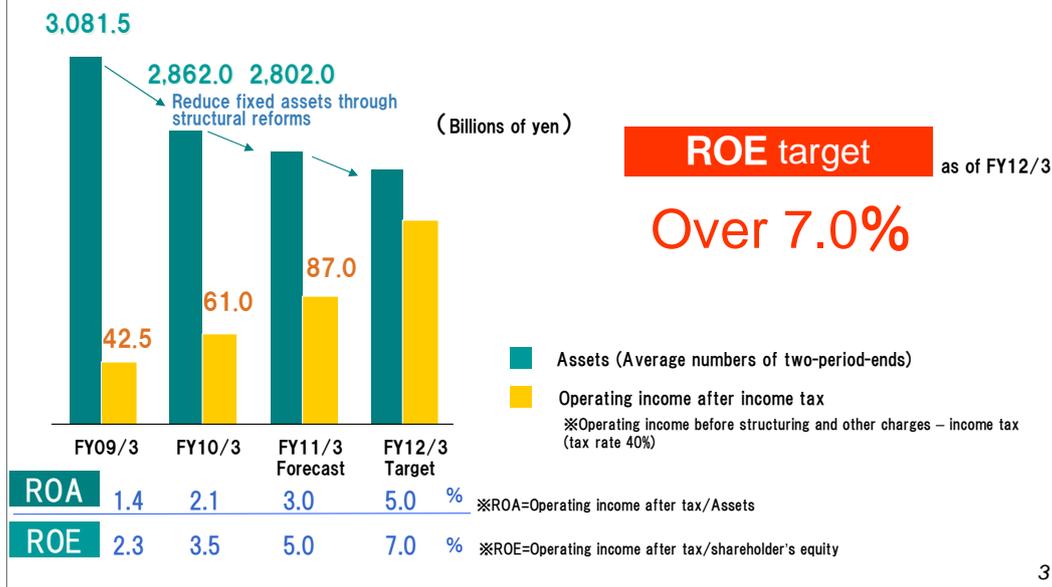
In Document Solutions, the benefits of our management innovation activities have been clearly emerging. However, we are currently engaged in the reorganization of R&D and manufacturing functions and the implementation of management innovation activities overseas, and we will continue with these efforts during FY 2011/3.

Our structural reforms are not ordinary expense reduction measures. They are programs designed to considerably transform our employee mind-sets and our corporate constitution, and these programs have been creating a firm foundation that provides important basic support for our growth going forward.

Improvement of asset/capital efficiency

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Improvement of asset/capital efficiency by reducing fixed assets through structural reforms



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In addition to the transformation of our profit structure, we have worked to improve our asset and capital efficiency.

Each business has been given business ROA target figures and is managing its performance based on consideration of those targets.

We are moving ahead with the reevaluation of assets that do not generate cash, and the concrete benefits of this reevaluation process are being seen with respect to reductions achieved in fixed assets, inventories, and other kinds of assets.

In FY 2011/3 and subsequently, we will supplement our measures to shrink fixed assets through structural reforms as well as take additional measures to shrink inventories and other assets in each business so that we can make steady progress in the improvement of ROA and ROE levels.

We have set ourselves the target of increasing ROE to 7% or higher by fiscal year ending March 2012.

FY2011/3 efforts for growth

Next, I will explain the efforts we will be taking in FY 2011/3 to prepare for growth.

As already mentioned, because we anticipate completing our structural reforms in the current fiscal year, we consider that we are standing on a new starting line for growth. We see FY 2011/3 as a year in which we will be shifting to an emphasis on restoring our growth momentum.

We are intent on taking thorough measures to achieve sales growth. In each business field, we plan to launch new high-quality products that meet market needs and offer high ratios of performance to cost, and, in this way, we plan to expand the markets.

In addition, we are moving forward with the concentrated investment of management resources in regions where growth can be expected, particularly regions where we have low market shares and the markets of the NIEs countries.

Forecast for FY2011/3

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	FY2010/3 Actual		FY2011/3 Forecast		Change		(Billions of yen)
					Amount	%	
Revenue	100.0%	2,181.7	100.0%	2,300.0	+118.3	+5.4	
Operating income before restructuring and other charges	4.7%	101.6	6.3%	145.0	+43.4	+42.7	
Restructuring and other charges		143.7		25.0	(118.7)	(82.6)	
Operating income after restructuring and other charges	(1.9)%	(42.1)	5.2%	120.0	+162.1		Return to profitability
Income before income taxes	(1.9)%	(42.0)	5.1%	118.0	+160.0		Return to profitability
Net income attributable to FUJIFILM Holdings	(1.8)%	(38.4)	2.6%	60.0	+98.4		Return to profitability
Net income attributable to FUJIFILM Holdings per share		¥(78.67)		¥122.80		+¥201.47	
Distribution per share		¥25 (Plan)		¥30 (Plan)		+¥5	
Exchange rates :							
US\$		¥ 93		¥ 90		¥ (3)	
€		¥ 131		¥ 125		¥ (6)	

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Next, I will explain our performance forecast for FY 2011/3.

We are aiming to generate ¥2,300 billion in consolidated revenue and ¥145 billion in operating income before restructuring and other charges.

Compared with FY 2010/3, we are anticipating a large 42.7% increase in operating income before restructuring and other charges.

We expect restructuring and other charges to amount to ¥25 billion, largely in the Document and Imaging segment. As a result, we are forecasting ¥120 billion in operating income after restructuring and other charges, ¥118 billion in income before income taxes, and ¥60 billion in net income attributable to FUJIFILM Holdings.

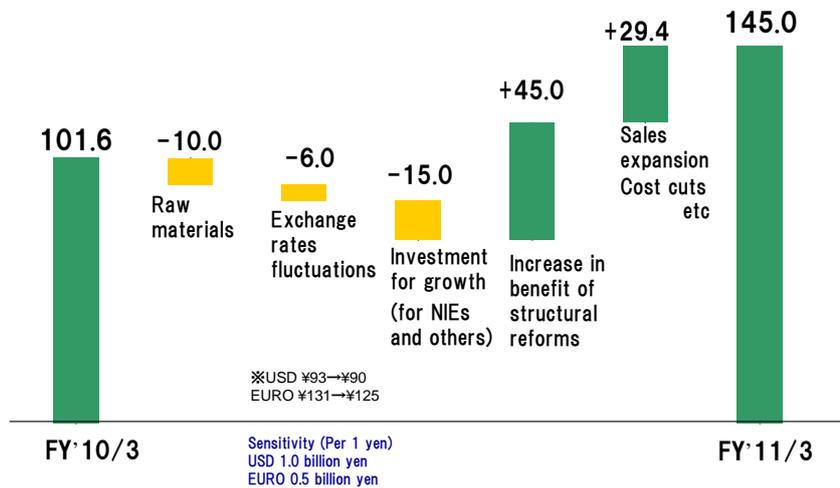
We expect that dividends per share applicable to FY 2011/3 will amount to ¥30.

Forecast for FY2011/3

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Analysis of operating income before restructuring and other charges in FY2011/3 (change from FY2010/3 to FY2011/3)

(Billions of yen)



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I will explain the main factors affecting the operating income.

Materials price increases such as silver and aluminum are projected to have the effect of lowering operating income by approximately ¥10 billion, while the impact of yen appreciation is expected to lower operating income by approximately ¥6 billion.

In addition, expenses associated with investments to support growth—such as sales promotion expenses in the NIEs and elsewhere—are expected to amount to approximately ¥15 billion.

Looking at the factors that are increasing operating income, the benefits of structural reforms implemented in FY 2010/3 are projected to have the effect of boosting operating income by approximately ¥45 billion, while the benefits of sales promotion, cost reduction, and other measures are expected to increase operating income by ¥29.4 billion. As a result of these factors, operating income is projected to increase by ¥43.4 billion above the FY 2010/3 level.

Next, I will explain our sales promotion and business growth strategies for our principal businesses.

Aim to increase market share and brand power

Emphasized points

- Product
- Marketing
- Cost-competitiveness

The achievement goal for FY2011/3

Expansion of sales volume shares

- W/W share 10%
- Sales units 12 million (+33% YoY)

Increasing brand power as a camera maker



FinePix HDP-L1
HD video player enabling the viewing on 3D televisions of images captured with REAL 3D W1



FinePix REAL 3D W1



FINEPIX HS10

World's first camera to incorporate a 30x manual optical zoom lens



FINEPIX Z700

Three new world's first camera functions

- Dual image display
- Auto dog/cat detection
- Dual detection GUI functions

In the digital camera business, the contribution of our implementation of drastic business reforms and other factors enabled us to restore business operating profitability during FY 2010/3.

In FY 2011/3, we will be aiming to increase our sales by expanding our market share and to augment the power of our brand.

To realize these objectives, we will be emphasizing the important issues of product power, marketing power, and cost-competitiveness.

With respect to product power, we will leverage our EXR technologies, Fujinon lenses, and other special strengths to further differentiate our products from competing products.

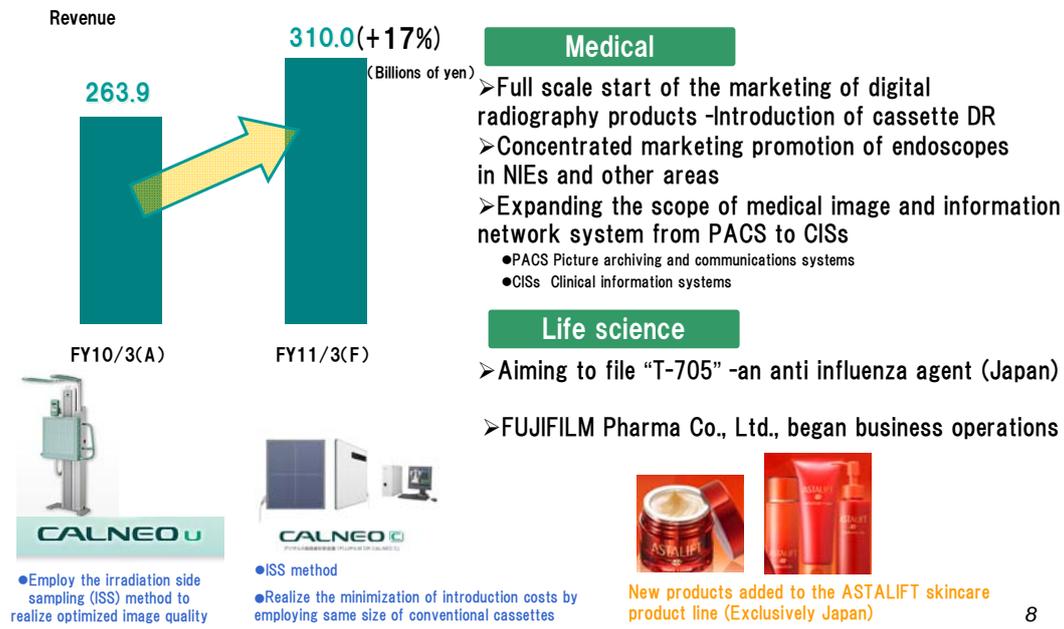
We will also be providing such value-rich products as the 3D digital imaging system we launched last summer in advance of the diffusion of 3D television. In addition, we will be advancing with product development programs that respond in detail to the special needs of individual regions and countries.

Regarding marketing power, we will be strengthening our marketing systems in locations centered on the NIEs while also proactively leveraging the entry-model marketing routes we have already obtained to promote sales of relatively sophisticated product models.

Regarding costs, we will continue working to generate profit by reducing materials and component procurement costs.

Based on these measures, we are aiming to increase our annual sales volume to above 12 million units and increase our sales volume share to 10% while also strengthening our brand as a digital camera maker.

Expansion of business in prevention/diagnosis/treatment fields to create a main pillar of Fujifilm's profitability



Looking at the medical/life science field, while our life science sales for the FY2010/3 were robust, the performance in medical field was impacted by such factors as a decrease in medical institutions' desire to make capital investments owing to the deterioration of economic conditions. Currently, however, we see clear signs of a recovery in the business environment, and we will be moving ahead with dynamic measures with respect to each of our product lines.

In the modality solutions field, we have bolstered our product lineup with the addition of such offerings as the Cassette DR CALNEO C, which features the world's thinnest and lightest diagnostic imaging data storage media, and we have begun full-scale sales promotion programs seeking to provide optimal digital radiography systems in line with individual customers' needs. Moreover, we are accelerating our sales promotion programs in the NIEs centering on FCR PRIMA products.

In the endoscope field, our business environment has been supportive, as reflected in such situations as the inclusion of our FICE (FUJI Intelligent Color Enhancement) products on the list of items eligible for reimbursement under Japan's national medical insurance system.

Furthermore, on the occasion of Fujifilm's July 2010 absorption of Fujinon Corporation, we will be integrating related overseas marketing functions and moving ahead with even-stronger efforts to promote sales in the NIEs.

In the medical network field, also, we are broadening the scope of our diagnostic information integration systems and moving to leverage our strengths in regions where our market share is low. We are aiming to achieve double-digit growth in China, where considerably more growth is expected.

Toyama Chemical is aiming to submit an application in Japan during FY 2011/3 for the approval of T-705, a drug candidate being developed for the application of treating new strains of influenza. Regarding healthcare, we are planning to greatly increase sales during FY 2011/3. In addition, in April 2010, we began operating a new company designed to enable us to establish a full-scale presence in the field of developing and marketing pharmaceuticals. (For details, please see page 13 of the reference materials.) The Fujifilm Group is seeking to progressively expand a comprehensive healthcare business that covers the prevention, diagnosis, and treatment segments of the business, and we are expecting this business to become a major pillar of our profitability.

FY2011/3 revenue projected to be sustained at a high level

Expectations for FY'11/3

Growth in LCD panel shipment volume* will be limited because of a rebound to trends during the previous year * Area base
 Polarizer/panel makers expected to improve manufacturing efficiency and adjust inventories, thereby slackening demand of films

Mid term

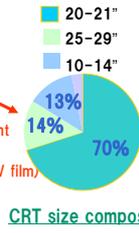
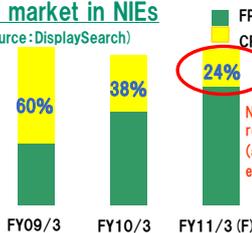
CRT-replacement demand expected to support continued rapid growth in the LCD market

Sustain proactive efforts and move ahead with measures to ensure competitive power

Measures by products

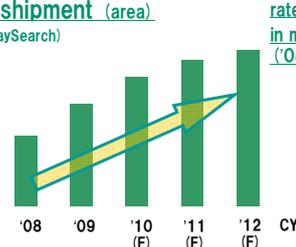
- ✓ **TAC film** Maintain high market share by augmenting the product lineup
- ✓ **WV film** Expand incorporation in medium-sized LCD televisions for the NIEs market
- ✓ **VA retardation film** Increase market share by launching new products

TV market in NIEs
 (Source: DisplaySearch)



Needs for replacement (aim to employ WV film)

LCD TV shipment (area)
 (Source: DisplaySearch)



Maintain high growth rate of 20% in mid term CAGR ('08-'12)

In the flat panel display materials business, we saw a sharp recovery during FY 2010/3.

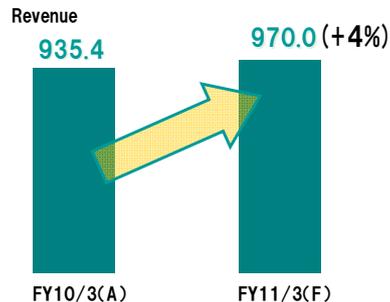
Currently, we recognize that final demand is extremely vigorous, however, our business plans are based on a prudently cautious interpretation of trends in demand and inventories.

Over the medium-to-long term, the LCD market will continue to grow, with demand growth centered on the replacement of CRT televisions in the NIEs and elsewhere. To further bolster its competitive superiority, Fujifilm will not be slackening its development and sales promotion efforts with respect to principal products.

In the field of VA Film, where competition is particularly intense, we are aiming to launch powerful new products and expand the use of our offerings.

Regarding capital investments, because progressive growth in the size of LCD televisions is rapidly increasing demand for extra-wide products, we are considering investments aimed at augmenting and strengthening our manufacturing capabilities for extra-wide products.

Overcoming challenges from competition in growth fields by leveraging cost-structure strengths, product strengths, and management base strengths



Keys to growth

China

Digital printing

Eco

Small office

By regions

Ensure increased revenue from all marketing channels and return to sustained growth

Japan

Revenue

Up

Promote sales of principal products and expand sales in the services/solutions field

Asia/China

China +20%

Over+10%

Achieve large revenue increase in all product categories

Exports to U.S.

based Xerox Corp.

Up

Launch strategic products in line with factors associated with a recovery in the NIEs markets

In the Document Solutions business, although we see differences between the degree of recovery in each market, we are aiming to increase our sales in all regions centered on the Asia/China region, and we are implementing related growth measures.

We believe there are four key factors affecting the growth of our business in this field.

1. Growth in the China Region—To cover a broader range of customers, we are supplementing our direct marketing systems by expanding our dealer networks and are launching products designed for the low-end market.

2. Eco Products—By employing our newly developed IH fuser and LED printheads, we are able to provide products with sleep mode power consumption only one-sixth that of conventional products. Our EA-Eco toner has a fixing temperature approximately 20°C lower than that of conventional EA toner. Going forward, we plan to continuously launch extremely appealing new products that leverage these and other effective energy-saving technologies to provide customers with considerable benefits.

3. Digital Printing—By leveraging our January 2010 launch of our Color 1000 Press/800 Press and other measures to strengthen our full lineup of digital printing products, we are seeking dynamic sales growth in the expanding light-printing and print-on-demand markets.

4. Small Offices—To address needs in this new target-zone market, we launched the DocuCentre-IVC2260 in Japan in December 2009. This product has subsequently been very highly evaluated, and the product's sales volume is rising greatly.

We are aiming to expand sales of a top line of products by giving due attention to these key factors. At the same time, we will continue implementing our important management innovation activities, aiming to attain a 10% operating profit rate.

The NIEs markets

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Accelerate the investment of management resources in business fields and regions with remaining growth potential

Accelerate product launches in accordance with needs in low-market-share regions and the NIEs

Move ahead with bold measures to expand business in the NIEs by intensive investment of resources

FY'11/3 Revenue target for NIEs and others* **20%up**

*Fujifilm: BRICS and Middle east revenue Fuji Xerox: Asia-Oceania region including China revenue



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In conclusion, I will overview our efforts with respect to the NIEs markets.

We are stepping up our efforts focused on the NIEs markets, which are acting as a locomotive of growth in the global economy.

We are aggressively developing our business in the NIEs markets by investing personnel and other management resources as well as by accelerating our launches of products that meet regional needs.

In FY 2011/3, we are aiming to expand our sales in the NIEs markets by 20% or more.

Overall, we still consider our position and circumstances to be severe, but everyone in the Company is determined to concertedly and thoroughly pursue growth during the current fiscal year through the implementation of the various strategies and measures I have just overviewed.

Thank you very much for your attention.

Appendix Forecast for FY2011/3 by segments FUJIFILM

	Segment	FY2010/3 Actual	FY2011/3 Forecast	Change	%	(Billions of yen)
Revenue	Imaging	345.5	350.0	+4.5	+1.3	
	Information	900.8	980.0	+79.2	+8.8	
	Document	935.4	970.0	+34.6	+3.7	
Operating income before restructuring and other charges	Imaging	(15.1)	5.0	+20.1	Return to profitability	
	Information	61.7	95.0	+33.3	+54.0	
	Document	57.5	70.0	+12.5	+21.7	
	Corporate expenses and eliminations	(2.5)	(25.0)	(22.5)	-	
	Total	101.6	145.0	+43.4	+42.7	
Restructuring and Other charges	Imaging	54.1	10.0	(44.1)	(81.5)	
	Information	64.3	2.0	(62.3)	(96.9)	
	Document	25.3	13.0	(12.3)	(48.6)	
Operating income after restructuring and other charges	Total	(42.1)	120.0	+162.1	Return to profitability	

Appendix Medical systems and Life sciences FUJIFILM

Full-scale participation in pharmaceutical product development and marketing operations through establishment of FUJIFILM Pharma (FFP)

To create a new business model and put business on track at an early stage through a joint venture with Mitsubishi Corporation and Toho Holdings Co., Ltd.

Business development Revenue target: Domestic sales 50.0 billion yen (within 5 years)

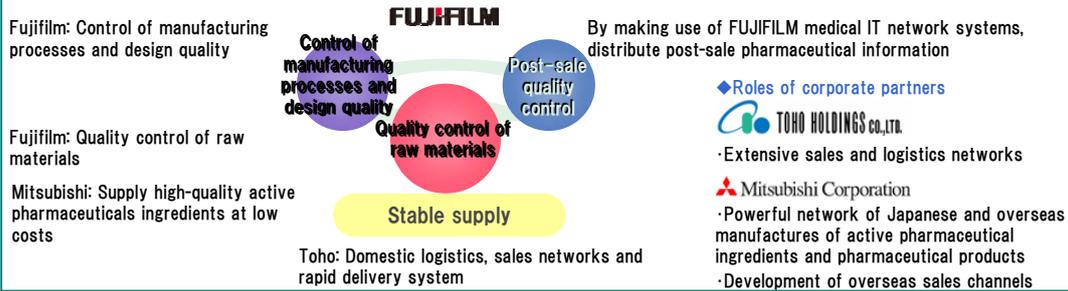
Initial FFP operations : Marketing of generic drugs

Employ Fujifilm's quality assurance systems to establish FFP's own pharmaceutical product quality assurance standards and thereby effectively promote the use of highly dependable generic drugs

Use proprietary formulation targeting delivery (FTD) technology to develop and market high-value-added generic drugs

Future : Use FTD technology to evolve into a general pharmaceutical company that also develops innovative new drugs

► Pharmaceutical business model of FUJIFILM Pharma



Stock price performance

