Briefing on "FY2018/3 Results"
Main questions and answers

Q: Regarding the business integration of Fuji Xerox and Xerox Corporation, though Xerox Corporation's board is insisting on the termination of the agreement, which was closed on January 30, is there any possibility to continue the negotiations changing the conditions?

A: This business integration was approved unanimously by both Fujifilm Holdings' board and Xerox Corporation's board. We do not believe that Xerox Corporation has a legal right to terminate our agreement and we are reviewing all of our available options, including bringing a legal action seeking damages. We believe that it is the best option for the stockholders of both companies, and we will urge the new Xerox board of directors to reconsider their decision. If we consider any alternate plan, it's necessary to verify that the plan has benefit for the stockholder of Fujifilm.

Q: Do you intend to promote the structural reform of Fuji Xerox, regardless of the progress of the business integration with Xerox Corporation?

A: We will steadily continue the structural reform anyway. As this reform is indispensable for Fuji Xerox to compete the future competition, to strengthen and to ensure the business development, based on the business environment of Document Solutions business.

Q: Does the redundancy in Fuji Xerox have any impact on sales in Document Solutions?

A: We are revamping the procedure and contents of operations in workplace lest there be negative impact on performance. We will strengthen the structure to remain competitive, making operations in workplace more efficient and intensive through this structural reform.

Q: What is the reason for a decrease of revenue of 4th quarter in FY2018/3 in the Document Solutions on YoY basis?

A: The revenue was down mainly due to the changes of the revenue recognition method of purchased products from "gross" to "net" accompanying the changes in accounting method, and due to the intentional downsizing of low-profit business.

END