



FUJIFILM

[Updated] Financial Results (Consolidated) for the First Quarter ended June 30, 2016 FUJIFILM Holdings Corporation

July 27, 2016

Kenji Sukeno

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

President and Chief Operating Officer

Projected date of Quarterly Report: August 12, 2016 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.)

1. Results of the First Quarter ended June 30, 2016 (From April 1, 2016 to June 30, 2016)

(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	
		%		%		%		%
1st Quarter ended June 30, 2016	545,845	(7.0)	29,500	(13.0)	23,604	(44.2)	12,068	(47.0)
1st Quarter ended June 30, 2015	586,676	5.5	33,895	16.2	42,278	45.0	22,763	64.6

Note: Comprehensive income

1st Quarter ended June 30, 2016 ¥ (93,798) million(-%) 1st Quarter ended June 30, 2015 ¥ 61,694 million(468.6%)

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)
	Yen	Yen
1st Quarter ended June 30, 2016	26.79	26.70
1st Quarter ended June 30, 2015	47.38	47.23

(2) FINANCIAL POSITION

	Total assets	Total equity (Net asset)	FUJIFILM Holdings shareholders' equity	FUJIFILM Holdings shareholders' equity ratio to total assets
				%
As of June 30, 2016	3,127,222	2,134,847	1,927,959	61.7
As of March 31, 2016	3,311,970	2,231,997	2,014,826	60.8

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, 2016	-	32.50	-	32.50	65.00
Year ending March 31, 2017	-				
Year ending March 31, 2017 (Forecast)		35.00	-	35.00	70.00

Note: Changes in dividends forecast during the quarter under review: No

3. Forecast for the Fiscal Year ending March 31, 2017 (From April 1, 2016 to March 31, 2017)

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 Year ending March 31, 2017	2,550,000	3.6	220,000	21.8	220,000	20.7	125,000	7.4	277.47

Note : Changes in forecast which was recently announced: No

Note: FUJIFILM Holdings shareholders' equity per share is calculated using the number of shares issued as of March 31, 2016 excluding treasury shares for the average number of shares for the relevant period.

Note: Forecasts of consolidated operating results for the six months period ending September 30, 2016 have not been provided.

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: None

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

(4) Number of Shares Outstanding

1. Issued (including treasury stock):

2. Treasury stock, at cost:

3. Average number of shares:

As of June 30, 2016	514,625,728	As of March 31, 2016	514,625,728
As of June 30, 2016	64,114,496	As of March 31, 2016	64,128,303
1st Quarter ended June 30, 2016	450,506,429	1st Quarter ended June 30, 2015	480,403,603

Disclosure Regarding the Status of the Quarterly Review Process

This press release is out of scope of the quarterly review process based on the Financial Instruments and Exchange Law. As of the press release date, the quarterly review process is ongoing.

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

	First Quarter ended June 30, 2016		First Quarter ended June 30, 2015		Change	
					Amount	%
Domestic revenue	40.1%	218.9	38.1%	223.5	(4.6)	(2.1)
Overseas revenue	59.9%	326.9	61.9%	363.2	(36.3)	(10.0)
Revenue	100.0%	545.8	100.0%	586.7	(40.9)	(7.0)
Operating income	5.4%	29.5	5.8%	33.9	(4.4)	(13.0)
Income before income taxes	4.3%	23.6	7.2%	42.3	(18.7)	(44.2)
Net income attributable to FUJIFILM Holdings	2.2%	12.1	3.9%	22.8	(10.7)	(47.0)
Exchange rates (Yen / US\$)		¥108		¥121		¥(13)
Exchange rates (Yen / Euro)		¥122		¥134		¥(12)

Overviewing the global economy during the first quarter of the fiscal year ending March 31, 2017 (April 1, 2016 through June 30, 2016), the general trend of gradual economic recovery persisted, while there were signs of weak economic conditions in emerging countries in Asia. In the United States, centering on the personal consumption, the trend of moderate economic recovery persisted. In Europe, while the trend of gradual economic recovery persisted, the outlook is unclear due to such factors as Brexit. Centering on showing a moderate economic slowdown in China, Asian countries as a whole showed weak economic conditions. In Japan, the improvement continued in the employment and income environment.

Based on the medium-term management plan —VISION 2016 (April 1, 2014 through March 31, 2017)—, formulated in November 2014, the Fujifilm Group has been expanding sales, market share, and operating income using the growth drivers of healthcare, highly functional materials, and document, with sales promotion and new product launches. The Group is also accelerating the improvement of the profitability by improving productivity and efficiency in every corporate activity while maintaining business scales and advantages in the market. Though the unstable situation is expected to continue due to the economic slowdown in emerging countries, rapid changes in management environment caused by Brexit and other factors, the group is going forward to achieve the last year's target of VISION 2016, which is the important turning point for growth in the future.

During the first quarter of the fiscal year ending March 31, 2017, the Fujifilm Group recorded ¥545.8 billion in consolidated revenue (down 7.0% from the same period of the previous fiscal year), reflecting such factors as the negative impact of yen appreciation, while the sales of such businesses as flat panel display (FPD) materials and electronic materials increased.

Operating income totaled ¥29.5 billion (down 13.0% from the same period of the previous fiscal year), reflecting such factors as the negative impact of yen appreciation, despite the improvement of profitability in each business. In addition, consolidated income before income taxes amounted to ¥23.6 billion (down 44.2% from the same period of the previous fiscal year), and consolidated net income attributable to FUJIFILM Holdings totaled ¥12.1 billion (down 47.0% from the same period of the previous fiscal year). These declines were mainly due to the negative impact of foreign exchange losses as other expenses, gains on sales of investment securities (¥5.6 billion) recorded in the same period of the previous fiscal year and other factors.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the first quarter of this fiscal year were ¥108 and ¥122, respectively.

Revenue by Operating Segment

Amount Unit: Billions of yen

Segment	First Quarter ended June 30, 2016	First Quarter ended June 30, 2015	Change	
			Amount	%
Imaging Solutions	77.8	85.7	(7.9)	(9.1)
Information Solutions	205.0	214.0	(9.0)	(4.2)
Document Solutions	263.0	287.0	(24.0)	(8.3)
Consolidated Total	545.8	586.7	(40.9)	(7.0)

Operating Income by Operating Segment

Amount Unit: Billions of yen

Segment	First Quarter ended June 30, 2016	First Quarter ended June 30, 2015	Change	
			Amount	%
Imaging Solutions	5.6	5.5	0.1	2.6
Information Solutions	15.1	13.5	1.6	11.3
Document Solutions	16.2	22.2	(6.0)	(26.9)
Corporate Expenses and Eliminations	(7.4)	(7.3)	(0.1)	-
Consolidated Total	29.5	33.9	(4.4)	(13.0)

Imaging Solutions

In the Imaging Solutions segment, consolidated revenue amounted to ¥77.8 billion (down 9.1% from the same period of the previous fiscal year), due to the negative impact of yen appreciation and other factors.

Consolidated operating income amounted to ¥5.6 billion (up 2.6% from the same period of the previous fiscal year), reflecting the improvement of the profitability and other factors, while the negative impact of yen appreciation was seen.

In the photo imaging business, sales of instant photo systems which enable users to enjoy on-the-spot printing of photos, such as the *instax* series and various designs of *instax* films increased especially in the United States and Europe. Overall sales decreased due to the negative impact of yen appreciation and other factors, while the high-value-added printing businesses such as the *photobook* services, and the *Shuffle Print* service expanded. In July 2016, *instax SHARE Smartphone Printer SP-2*, which can print high-quality credit-card sized instant photos from smartphones was released. Fujifilm tries to meet the rising demand for printing photos saved in smartphones.

In the electronic imaging field of the optical device and electronic imaging business, sales of digital cameras decreased due to the negative impact of yen appreciation, while proceeding the shift to high-end models such as the mirrorless digital camera *FUJIFILM X-Pro2*, a flagship model which realized the best image quality and comfortable operability among *X Series*, and the sales expansion in Asian countries. In the optical device field, overall sales decreased due to the sales decrease of camera modules for use in smartphones. Fujifilm tries to expand global market share in broadcast zoom lens, with such products as those for use with 4K cameras which were launched ahead of its competitor and highly appreciated in the aspects of imaging quality in the market.

Information Solutions

In the Information Solutions segment, consolidated revenue amounted to ¥205.0 billion (down 4.2% from the same period of the previous fiscal year), due to the negative impact of yen appreciation and other factors, while

sales increased in the FPD materials business, electronic materials business and others.

Operating income amounted to ¥15.1 billion (up 11.3% from the same period of the previous fiscal year), reflecting the improvement of profitability and other factors, while the negative impact of yen appreciation affected.

In the medical systems business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while sales proceeded smoothly in the growth fields such as medical IT. In the X-ray imaging diagnostic field, Fujifilm recorded strong sales of *CALNEO* (overseas name: *D-EVO*) series, DR cassette in the digital X-ray imaging diagnostic system and others. In the medical IT field, integration archive system *SYNAPSE VNA* was launched in April 2016 in Japan, which can manage and keep centrally various medical care information such as diagnostic pictures and movies saved in its stand-alone system by department in a hospital as well as in picture archiving communication systems (PACS) of different companies. In May 2016, *SYNAPSE 5* was launched in Japan, which helps doctors diagnose more efficiently enabling to process and show images twice faster than before. Fujifilm is strengthening more effective solutions to contribute to the diagnosis. In the endoscope field, the sales of the endoscope systems using laser light, under the brand name of *LASEREO*, equipped with high-quality image CMOS sensor and new endoscopic ultrasonography systems proceeded smoothly. In the ultrasound diagnostic field, Fujifilm strengthened its product lineups, releasing *SonoSite iViz*, small and light weight tablet typed product in May 2016 in Japan.

In the pharmaceutical business, overall sales remained unchanged from the same period of the previous fiscal year. While the influence of generic drugs was seen in the small molecule pharmaceuticals, the sales of contract manufacturing of biopharmaceuticals were strong. In the field of research and development, Fujifilm is promoting the development of pipeline such as anti-cancer agents and Alzheimer's Disease drug steadily.

In the regenerative medicine business, Cellular Dynamics International, Inc. (CDI) in the United States, a leading company in the development and manufacture of iPS cells, which became a consolidated subsidiary of the Fujifilm Group last year, established a Cooperative Research and Development Agreement, related to the treatment of retinal degenerative disease with the National Eye Institute in the United States. Going forward, Fujifilm aims to expand its business, conducting research and development in cooperation with academia and research institutes.

In the life sciences business, overall sales increased, reflecting strong sales of multifunction UV clear lotion *ASTALIFT WHITE Perfect UV Clear Solution* and skin-whitening serum *ASTALIFT WHITE ESSENCE INFILT* renewed in March 2016.

Regarding the FPD materials business, overall sales increased due to the favorable sales of WV film and film for IPS mode. Fujifilm is working to maintain sales of products for LCD TV, and to expand sales of high-end products for use in small and medium-sized displays. Moreover, Fujifilm is promoting the expansion of such new business fields as the related materials to touch-panels and backlights. Though FUJIFILM Kyushu Co., Ltd., one of the main production bases of the business in Japan was suffered from the series of earthquakes in Kumamoto prefecture in mid-April, the Company could recommenced operations on April 23, owing to all the efforts for recovery of the whole company and finally resumed full operations at all its facilities on May 22.

In the industrial products business, overall sales decreased due to the sales decrease in the existing businesses such as industrial-use X-ray films, *PRESCALE*, pressure measurement film as well as the negative impact of yen appreciation, while the sales of new business of touch-panel sensor films *EXCLEAR* were strong.

Sales in the electronic materials business increased, reflecting favorable sales of such advanced products as peripheral materials related to photolithography including developers and treatment agent. Fujifilm aims to expand the electronic materials business, utilizing broad product lineup, production facilities, and its strong customer bases of Ultra Pure Solutions, Inc., a U.S. manufacturer of high-purity solvents, which became a consolidated

subsidiary of the Fujifilm Group last year.

Sales in the recording media business decreased, because sales of professional-use videotapes decreased due to the effects of a decline in total demand and the negative impact of yen appreciation, while sales of computer tape, which features higher-capacity tapes with its unique technologies such as barium ferrite (BaFe) particles proceeded smoothly. As a rapid increase in the data volume generated around the world is expected, Fujifilm is seeking to further offer products and services, using BaFe particles and also encouraging the spread of its data archive service *d:ternity* to meet the long-term storage needs.

In the graphic systems business, overall sales decreased due to the negative impact of yen appreciation, while favorable sales were seen in digital printing devices, materials for package printing and industrial inkjet printheads. At drupa 2016, the world's largest trade show for print and crossmedia solutions, held in Germany from May 31 to June 10, 2016, Fujifilm presented its unique core technologies such as ink, printheads and image processing under a new brand name *FUJIFILM Inkjet Technology*. Many people showed their interests in the technologies and inkjet printers such as *JetPress 720S*. Going forward, Fujifilm aims to expand its sales by providing various added value through its products and services in this transitional period to digital printing.

Document Solutions

In the Document Solutions segment, consolidated revenue amounted to ¥263.0 billion (down 8.3% from the same period of the previous fiscal year), due to the sales decrease in export shipments to Xerox Corporation, centering on the office printer business, the negative impact of yen appreciation and other factors.

Operating income amounted to ¥16.2 billion (down 26.9% from the same period of the previous fiscal year), reflecting the decrease in revenues, the negative impact of depreciation of Asian currencies and other factors.

Regarding the office products business, the overall sales volume remained unchanged from the previous fiscal year. In Japan, though the sales volume of monochrome models was strong, the sales volume of full-color models decreased due to the reaction from the replacement of devices in major domestic convenience stores in the previous fiscal year and other factors. In Asia-Oceania region, sales volume of both monochrome models and full-color models increased due to steady growth in China. In export shipments to Xerox Corporation, sales volume decreased.

In the office printer business, the overall sales volume decreased. In Japan, sales decreased mainly due to the decrease of OEM shipments. Sales volume increased in Asia-Oceania region due to strong sales of monochrome models. In export shipments to Xerox Corporation, sales volume decreased.

Regarding the production services business, the overall sales volume increased, reflecting strong sales of the medium-to-high speed products of color on-demand publishing systems and continuous feed printing system.

In the global services business, revenue increased, owing to strong sales in the managed print service business.

(2) Explanation on the Consolidated Financial Position

At the end of the first quarter of the fiscal year ending March 31, 2017, total assets decreased by ¥184.8 billion, compared with the end of the previous fiscal year, to ¥3,127.2 billion, owing to decrease in notes and accounts receivable and other factors. Total liabilities decreased by ¥87.6 billion, compared with the end of the previous fiscal year, to ¥992.4 billion. FUJIFILM Holdings shareholders' equity decreased by ¥86.8 billion, compared with the end of the previous fiscal year, to ¥1,928.0 billion. As a result, the current ratio increased by 19.2 percentage points, to 310.3%, the debt-equity ratio decreased by 2.1 percentage points, to 51.5%, and the equity ratio increased by 0.9 percentage points, to 61.7%, compared with the end of the previous fiscal year. Fujifilm is confident that it is maintaining a stable level of asset liquidity and a sound capital structure.

(Cash Flows)

Amount Unit: Billions of yen

	First Quarter ended June 30, 2016	First Quarter ended June 30, 2015	Change
Net cash provided by operating activities	104.7	68.6	36.1
Net cash used in investing activities	(24.4)	(54.7)	30.3
Net cash used in financing activities	(44.0)	(44.9)	0.9

During the first quarter of the fiscal year ending March 31, 2017, net cash provided by operating activities totaled ¥104.7 billion, due to a decrease in notes and accounts receivable and other factors. Net cash used in investing activities amounted to ¥24.4 billion, due to the purchases of property, plant and equipment. Thus, free cash flows—or the sum of cash flows from operating and investing activities—were ¥80.3 billion. Net cash used in financing activities amounted to ¥44.0 billion, due to payments of dividends and other factors.

As a result, cash and cash equivalents at the end of the quarter under review amounted to ¥610.4 billion, up ¥9.5 billion from the end of the previous fiscal year.

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

Regarding consolidated performance in the fiscal year ending March 31, 2017, owing to business growth centered on the three businesses, healthcare, highly functional materials and document as priority business fields, improvements of profitability in all businesses and other factors, Fujifilm projects ¥2,550.0 billion in revenue (up 3.6% from the previous fiscal year), operating income of ¥220.0 billion (up 21.8% from the previous fiscal year), income before income taxes of ¥220.0 billion (up 20.7% from the previous fiscal year), and net income attributable to FUJIFILM Holdings of ¥125.0 billion (up 7.4% 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, 2017 are ¥110 and ¥125, 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: None

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 June 30, 2016	As of March 31, 2016	Change
ASSETS			
Current assets:			
Cash and cash equivalents	610,380	600,897	9,483
Marketable securities	18,009	28,012	(10,003)
Notes and accounts receivable:			
Trade and finance	531,454	641,837	(110,383)
Affiliated companies	21,857	26,444	(4,587)
Allowance for doubtful receivables	(22,049)	(24,711)	2,662
	531,262	643,570	(112,308)
Inventories	349,298	349,166	132
Prepaid expenses and other	153,042	144,603	8,439
Total current assets	1,661,991	1,766,248	(104,257)
Investments and long-term receivables:			
Investments in and advances to affiliated companies	31,113	30,265	848
Investment securities	130,429	144,472	(14,043)
Long-term finance and other receivables	136,351	148,510	(12,159)
Allowance for doubtful receivables	(3,376)	(3,567)	191
Total investments and long-term receivables	294,517	319,680	(25,163)
Property, plant and equipment:			
Land	90,897	91,596	(699)
Buildings	688,121	693,705	(5,584)
Machinery and equipment	1,596,791	1,632,503	(35,712)
Construction in progress	26,604	36,526	(9,922)
	2,402,413	2,454,330	(51,917)
Less accumulated depreciation	(1,884,342)	(1,921,729)	37,387
Total property, plant and equipment	518,071	532,601	(14,530)
Other assets:			
Goodwill, net	482,100	506,870	(24,770)
Other intangible assets, net	78,244	86,249	(8,005)
Other	92,299	100,322	(8,023)
Total other assets	652,643	693,441	(40,798)
Total assets	3,127,222	3,311,970	(184,748)

Amount Unit: Millions of yen

	As of June 30, 2016	As of March 31, 2016	Change
LIABILITIES			
Current liabilities:			
Short-term debt	26,629	55,305	(28,676)
Notes and accounts payable:			
Trade	213,699	229,893	(16,194)
Construction	18,937	23,421	(4,484)
Affiliated companies	3,321	3,834	(513)
	235,957	257,148	(21,191)
Accrued income taxes	13,175	18,359	(5,184)
Accrued liabilities	184,306	183,955	351
Other current liabilities	75,458	92,041	(16,583)
Total current liabilities	535,525	606,808	(71,283)
Long-term liabilities:			
Long-term debt	310,373	310,388	(15)
Accrued pension and severance costs	58,940	64,756	(5,816)
Customers' guarantee deposits and other	87,537	98,021	(10,484)
Total long-term liabilities	456,850	473,165	(16,315)
Total liabilities	992,375	1,079,973	(87,598)
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	80,671	80,507	164
Retained earnings	2,187,033	2,174,965	12,068
Accumulated other comprehensive income (loss)	(129,933)	(30,780)	(99,153)
Treasury stock, at cost	(250,175)	(250,229)	54
Total FUJIFILM Holdings shareholders' equity	1,927,959	2,014,826	(86,867)
Noncontrolling interests	206,888	217,171	(10,283)
Total equity	2,134,847	2,231,997	(97,150)
Total liabilities and equity	3,127,222	3,311,970	(184,748)

Note: Details of accumulated other comprehensive income (loss)

	As of June 30, 2016	As of March 31, 2016	Change
Unrealized gains on securities	40,026	50,864	(10,838)
Foreign currency translation adjustments	(60,198)	29,655	(89,853)
Pension liability adjustments	(108,121)	(109,747)	1,626
Unrealized losses on derivatives	(1,640)	(1,552)	(88)

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)
1st Quarter ended June 30th

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
					Amount	%
Revenue:	%		%			
Sales		459,647		496,278	(36,631)	(7.4)
Rentals		86,198		90,398	(4,200)	(4.6)
	100.0	545,845	100.0	586,676	(40,831)	(7.0)
Cost of sales:						
Sales		289,043		320,749	(31,706)	(9.9)
Rentals		36,444		35,930	514	1.4
	59.6	325,487	60.8	356,679	(31,192)	(8.7)
Gross profit	40.4	220,358	39.2	229,997	(9,639)	(4.2)
Operating expenses:						
Selling, general and administrative	27.7	151,088	26.4	154,985	(3,897)	(2.5)
Research and development	7.3	39,770	7.0	41,117	(1,347)	(3.3)
	35.0	190,858	33.4	196,102	(5,244)	(2.7)
Operating income	5.4	29,500	5.8	33,895	(4,395)	(13.0)
Other income (expenses):						
Interest and dividend income		2,031		2,134	(103)	
Interest expense		(1,233)		(1,052)	(181)	
Foreign exchange gains (losses), net		(6,457)		1,764	(8,221)	
Gains (losses) on sales of investment securities, net		-		5,626	(5,626)	
Other, net		(237)		(89)	(148)	
	(1.1)	(5,896)	1.4	8,383	(14,279)	-
Income before income taxes	4.3	23,604	7.2	42,278	(18,674)	(44.2)
Income taxes	1.5	8,058	2.6	15,145	(7,087)	(46.8)
Equity in net gains (losses) of affiliated companies	(0.1)	(607)	(0.1)	(877)	270	-
Net income	2.7	14,939	4.5	26,256	(11,317)	(43.1)
Less: Net income attributable to the noncontrolling interests	(0.5)	(2,871)	(0.6)	(3,493)	622	-
Net income attributable to FUJIFILM Holdings	2.2	12,068	3.9	22,763	(10,695)	(47.0)

(Consolidated Statements of Comprehensive Income)**1st Quarter ended June 30th**

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016	Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015	Change
Net income	14,939	26,256	(11,317)
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	(10,971)	4,413	(15,384)
Foreign currency translation adjustments	(99,511)	29,853	(129,364)
Pension liability adjustments	1,880	1,169	711
Unrealized gains (losses) on derivatives	(135)	3	(138)
Other comprehensive income (loss)	(108,737)	35,438	(144,175)
Comprehensive income (loss)	(93,798)	61,694	(155,492)
Less: Comprehensive income (loss) attributable to noncontrolling interests	6,713	(6,342)	13,055
Comprehensive income (loss) attributable to FUJIFILM Holdings	(87,085)	55,352	(142,437)

(3) Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016	Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015	Change
Operating activities			
Net income	14,939	26,256	(11,317)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	30,535	29,503	1,032
(Gains) losses on sales of investment securities	-	(5,626)	5,626
Equity in net (gains) losses of affiliated companies, net of dividends received	875	1,231	(356)
Changes in operating assets and liabilities:			
Notes and accounts receivable	76,696	61,532	15,164
Inventories	(19,810)	(24,371)	4,561
Notes and accounts payable - trade	(1,667)	(12,869)	11,202
Accrued income taxes and other liabilities	3,753	14,821	(11,068)
Other	(665)	(21,894)	21,229
Subtotal	89,717	42,327	47,390
Net cash provided by operating activities	104,656	68,583	36,073
Investing activities			
Purchases of property, plant and equipment	(20,319)	(13,795)	(6,524)
Purchases of software	(3,157)	(5,784)	2,627
Proceeds from sales and maturities of marketable and investment securities	10,011	18,303	(8,292)
Purchases of marketable and investment securities	(1,316)	(10,301)	8,985
(Increase) decrease in time deposits, net	(881)	(571)	(310)
Increase in investments in and advances to affiliated companies	(2,500)	(2,100)	(400)
Acquisitions of businesses and minority interests, net of cash acquired	(300)	(35,241)	34,941
Other	(5,953)	(5,236)	(717)
Net cash used in investing activities	(24,415)	(54,725)	30,310
Financing activities			
Proceeds from long-term debt	692	668	24
Repayments of long-term debt	(648)	(621)	(27)
Increase (decrease) in short-term debt, net	(25,981)	9,084	(35,065)
Cash dividends paid to shareholders	(14,641)	(16,878)	2,237
Subsidiaries' cash dividends paid to noncontrolling interests	(3,403)	(3,657)	254
Net purchases of stock for treasury	(3)	(33,540)	33,537
Net cash used in financing activities	(43,984)	(44,944)	960
Effect of exchange rate changes on cash and cash equivalents	(26,774)	7,217	(33,991)
Net increase (decrease) in cash and cash equivalents	9,483	(23,869)	33,352
Cash and cash equivalents at beginning of year	600,897	726,888	(125,991)
Cash and cash equivalents at end of year	610,380	703,019	(92,639)

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

N/A

Segment Information**(A) Operating Segment Information****a. Revenue**

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
					Amount	%
Revenue:	%		%			
Imaging Solutions:						
External customers	14.2	77,802	14.6	85,637	(7,835)	(9.1)
Intersegment		611		747	(136)	-
Total		78,413		86,384	(7,971)	(9.2)
Information Solutions:						
External customers	37.6	204,984	36.5	214,019	(9,035)	(4.2)
Intersegment		331		271	60	-
Total		205,315		214,290	(8,975)	(4.2)
Document Solutions:						
External customers	48.2	263,059	48.9	287,020	(23,961)	(8.3)
Intersegment		1,550		1,893	(343)	-
Total		264,609		288,913	(24,304)	(8.4)
Eliminations		(2,492)		(2,911)	419	-
Consolidated total	100.0	545,845	100.0	586,676	(40,831)	(7.0)

b. Operating income

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
					Amount	%
Operating Income :	%		%			
Imaging Solutions	7.2	5,615	6.3	5,475	140	2.6
Information Solutions	7.3	15,030	6.3	13,504	1,526	11.3
Document Solutions	6.1	16,230	7.7	22,202	(5,972)	(26.9)
Total		36,875		41,181	(4,306)	(10.5)
Corporate expenses and eliminations		(7,375)		(7,286)	(89)	-
Consolidated total	5.4	29,500	5.8	33,895	(4,395)	(13.0)

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
Information Solutions	Equipment and materials for medical systems and life sciences, pharmaceuticals, equipment and materials for graphic arts, flat panel display materials, recording media and electronic materials
Document Solutions	Office copy machines/MFPs, printers, production systems and services, office services, paper and consumables

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

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
	%		%		Amount	%
Revenue:						
Japan						
External customers	48.8	266,490	48.4	284,134	(17,644)	(6.2)
Intersegment		111,304		110,825	479	-
Total		377,794		394,959	(17,165)	(4.3)
The Americas						
External customers	18.8	102,433	18.7	109,674	(7,241)	(6.6)
Intersegment		10,280		11,781	(1,501)	-
Total		112,713		121,455	(8,742)	(7.2)
Europe						
External customers	8.6	47,247	8.6	50,623	(3,376)	(6.7)
Intersegment		3,687		4,546	(859)	-
Total		50,934		55,169	(4,235)	(7.7)
Asia and others						
External customers	23.8	129,675	24.3	142,245	(12,570)	(8.8)
Intersegment		73,262		87,565	(14,303)	-
Total		202,937		229,810	(26,873)	(11.7)
Eliminations		(198,533)		(214,717)	16,184	-
Consolidated total	100.0	545,845	100.0	586,676	(40,831)	(7.0)

b. Operating income

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
	%		%		Amount	%
Operating Income (Loss):						
Japan	3.2	12,185	2.7	10,471	1,714	16.4
The Americas	5.0	5,595	4.1	4,942	653	13.2
Europe	1.1	567	8.8	4,848	(4,281)	(88.3)
Asia and others	6.6	13,431	6.1	14,098	(667)	(4.7)
Eliminations		(2,278)		(464)	(1,814)	-
Consolidated total	5.4	29,500	5.8	33,895	(4,395)	(13.0)

(C) Overseas revenue (Destination Base)

Amount Unit: Millions of yen

	Three months ended June 30, 2016 From April 1, 2016 To June 30, 2016		Three months ended June 30, 2015 From April 1, 2015 To June 30, 2015		Change	
					Amount	%
Revenue:	%		%			
Domestic	40.1	218,918	38.1	223,520	(4,602)	(2.1)
Overseas						
The Americas	20.0	109,137	21.6	126,873	(17,736)	(14.0)
Europe	11.8	64,532	12.2	71,215	(6,683)	(9.4)
Asia and others	28.1	153,258	28.1	165,068	(11,810)	(7.2)
Subtotal	59.9	326,927	61.9	363,156	(36,229)	(10.0)
Consolidated total	100.0	545,845	100.0	586,676	(40,831)	(7.0)

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

Note on Significant Changes to FUJIFILM Holdings Shareholders' Equity

N/A