

Earnings of FY2017/3 1H

FUJIFILM Holdings Corporation

Oct. 27, 2016

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.

Consolidated Performance for FY2017/3 1H (Apr. 2016 – Sep. 2016)

(Billions of yen)

	FY2016/3 1H	FY2017/3 1H	Change	Influence of	
				exchange rate	Currency-neutral basis
Revenue	1,226.1 100.0%	1,120.9 100.0%	(105.2) -8.6%	(98.9)	(6.3) -0.5%
Operating Income	80.7 6.6%	63.5 5.7%	(17.2) -21.3%	(23.3)	6.1 +7.5%
Income before Income Taxes	84.6 6.9%	60.6 5.4%	(24.0) -28.4%		
Net Income Attributable to FUJIFILM Holdings	46.9 3.8%	33.5 3.0%	(13.4) -28.5%		
Net Income Attributable to FUJIFILM Holdings per Share	¥98.84	¥74.67	¥(24.17)		
Exchange Rates	US\$/¥ ¥122	¥105	¥(17)		
	€/¥ ¥135	¥118	¥(17)		

(Other factors of change (YoY))
Operating income --- Raw material prices: + ¥ 5.5 billion

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Consolidated revenue for the first half of FY2017/3 totaled ¥1,120.9 billion, down 8.6% compared with the previous fiscal year, reflecting such factors as the negative impact of yen appreciation (¥98.9 billion).

Excluding the impact from foreign exchange rate, it remained at the almost same level as the previous fiscal year.

Despite the strong impact from foreign exchange rate, the sales of such businesses as flat panel display (FPD) materials and electronic materials increased.

Operating income totaled ¥63.5 billion, down 21.3% from the previous fiscal year, reflecting such factors as the negative impact of yen appreciation (¥23.3 billion). On an operating basis, which excludes the impact of foreign exchange rates, increased by 7.5% compared with the previous fiscal year.

In addition, consolidated income before income taxes amounted to ¥60.6 billion, down 28.4% from the previous fiscal year, and consolidated net income attributable to FUJIFILM Holdings totaled ¥33.5 billion, down 28.5% from the previous fiscal year.

These declines were mainly due to the negative impact of foreign exchange losses (¥7.6 billion). However, the negative impact was diminished by gains on sales of investment securities (¥4.0 billion) recorded as other income.

Consolidated Revenue and Operating Income by Segments

(Billions of yen)

Revenue	1H		Change		Influence of exchange rate	Currency-neutral basis	
	FY2016/3	FY2017/3					
Imaging Solutions	173.1	153.2	(19.9)	(-11.5%)	(20.6)	0.7	(+0.4%)
Information Solutions	460.4	431.6	(28.8)	(-6.3%)	(41.9)	13.1	(+2.8%)
Document Solutions	592.6	536.1	(56.5)	(-9.5%)	(36.4)	(20.1)	(-3.4%)
Total	1,226.1	1,120.9	(105.2)	(-8.6%)	(98.9)	(6.3)	(-0.5%)

Note: After elimination of intersegment transaction.

(Billions of yen)

Operating Income	1H		Change		Influence of exchange rate	Currency-neutral basis	
	FY2016/3	FY2017/3					
Imaging Solutions	12.4	8.9	(3.5)	(-28.5%)	(6.2)	2.7	(+21.7%)
Information Solutions	34.8	32.7	(2.1)	(-6.0%)	(10.7)	8.6	(+24.7%)
Document Solutions	48.3	36.9	(11.4)	(-23.7%)	(6.4)	(5.0)	(-10.5%)
Corporate Expenses & Eliminations	(14.8)	(15.0)	(0.2)		0.0	(0.2)	
Total	80.7	63.5	(17.2)	(-21.3%)	(23.3)	6.1	(+7.5%)

In the Imaging Solutions segment, revenue amounted to ¥153.2 billion, down 11.5% from the previous fiscal year. Excluding the impact from foreign exchange rate, it increased by 0.4% from the previous fiscal year.

Operating income amounted to ¥8.9 billion, down 28.5% from the previous fiscal year. Excluding the impact from foreign exchange rate, it increased substantially by 21.7% from the previous fiscal year.

In the Information Solutions segment, revenue amounted to ¥431.6 billion, down 6.3% from the previous fiscal year. Excluding the impact from foreign exchange rate, it increased by 2.8% from the previous fiscal year.

Operating income amounted to ¥32.7 billion, down 6.0% from the previous fiscal year. Excluding the impact from foreign exchange rate, it increased substantially by 24.7% from the previous fiscal year.

In the Document Solutions segment, revenue amounted to ¥536.1 billion, down 9.5% from the previous fiscal year. Excluding the impact from foreign exchange rate, it decreased by 3.4% from the previous fiscal year.

Operating income amounted to ¥36.9 billion, down 23.7% from the previous fiscal year. Excluding the impact from foreign exchange rate, it decreased by 10.5% from the previous fiscal year.

In the Document Solutions segment, operating income of the first quarter of FY2017/3 decreased on an operating basis, which excludes the impact of foreign exchange rates, while that of the second quarter increased by 9.7%.

Summary by Operating Segment

■ Imaging Solutions

(Billions of yen)					
Revenue	YoY		Operating income	YoY	
153.2	(19.9)	(-11.5%)	8.9	(3.5)	(-28.5%)

- In the photo imaging business, while the overall sales decreased due to the negative impact of yen appreciation and other factors, the sales of instant photo systems such as the *instax* series and *instax* films, remained strong especially in the United States and Europe. The high-value-added printing businesses such as the *photobook* services expanded.
- In the electronic imaging field, the sales of digital cameras decreased due to the negative impact of yen appreciation and other factors, while the sales of such flagship models of the mirrorless digital camera as *FUJIFILM X-Pro2* and *FUJIFILM X-T2*, and interchangeable lenses increased steadily.
- In the optical device field, the sales decreased due to the sales decrease of camera modules for use in smartphones.

Though revenue and operating income decreased due to the negative impact of yen appreciation and other factors, both of them on an operating basis increased.

In the photo imaging business, while the overall sales decreased due to the negative impact of yen appreciation and other factors, the sales of instant photo systems such as the *instax* series and *instax* films, remained strong especially in the United States and Europe.

The high-value-added printing businesses such as the *photobook* services expanded.

In the electronic imaging field, the sales of digital cameras decreased due to the negative impact of yen appreciation and other factors, while the sales of such flagship models of the mirrorless digital camera as *FUJIFILM X-Pro2* and *FUJIFILM X-T2*, and interchangeable lenses increased steadily.

In the optical device field, the 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.

In the Imaging Solutions segment, both revenue and profit decreased, due to the negative impact of yen appreciation and other factors, though both of them increased on an operating basis, which excludes impact of foreign exchange rates.

Summary by Operating Segment

Information Solutions

(Billions of yen)					
Revenue	YoY		Operating income	YoY	
431.6	(28.8)	(-6.3%)	32.7	(2.1)	(-6.0%)

- In the medical systems business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while steady sales persisted in the growth fields such as medical IT. In the pharmaceutical business, revenue decreased mainly due to the influence of generic drugs in the small-molecular pharmaceuticals, though the sales of contract manufacturing of biopharmaceuticals proceeded steadily. In the regenerative medicine business, Fujifilm has been promoting activities to expand its business field.
- In the FPD materials business, the overall sales increased due to the steady sales. Especially, the sales of *WV film* largely increased.
- In the industrial products business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while the sales *EXCLEAR* were strong. In the electronic materials business, the overall sales increased, reflecting steady sales of such advanced products as peripheral materials related to photolithography.
- In the recording media business, the overall sales business remained almost unchanged mainly due to the negative impact of yen appreciation and other factors, while sales of computer tape, which has unique technologies, proceeded steadily.
- In the graphic systems business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while steady sales were seen in digital printing devices.

Though revenue and operating income decreased due to the negative impact of yen appreciation and other factors, both of them on an operating basis increased.

In the medical systems business of healthcare business field, the overall sales decreased due to the negative impact of yen appreciation and other factors, while steady sales persisted in the growth fields such as medical IT.

In the pharmaceutical business, revenue decreased mainly due to the influence of generic drugs in the small-molecular pharmaceuticals, though the sales of contract manufacturing of biopharmaceuticals proceeded steadily. 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, Fujifilm has been promoting such activities to expand its business field as establishing a new company in the United States in order to develop cell therapy for treatment of retinal diseases utilizing allogenic iPS cells in cooperation with Dr. David Gamm, a world authority on treatment of retinal diseases.

Moreover, following the United States and others, CDI (Cellular Dynamics International, Inc.) has been granted a patent in Japan related to technology required for the generation of iPS cells. Going forward, Fujifilm tries to expand its contract manufacturing business of iPS cells.

In the life sciences business, the overall sales increased, reflecting strong sales such as skin-whitening serum *ASTALIFT WHITE ESSENCE INFILT* and high-function skin lotion of *ASTALIFT MOIST LOTION*.

Regarding the FPD materials business, the overall sales increased, especially the sales of *WV film* largely increased.

In the industrial products business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while the sales of touch-panel sensor films *EXCLEAR* were strong.

Sales in the electronic materials business increased, reflecting steady sales of such advanced products as peripheral materials related to photolithography.

Sales in the recording media business remained almost unchanged mainly due to the negative impact of yen appreciation and other factors, while sales of computer tape, which has unique technologies such as barium ferrite (BaFe) particles, proceeded steadily.

In the graphic systems business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while steady sales were seen in digital printing devices.

In the Information Solutions segment, both revenue and operating income decreased due to the negative impact of yen appreciation and other factors, while both of them on an operating basis, which excludes the impact of foreign exchange rates, increased due to the sales expansion in the FPD materials and electronic materials business and other businesses.

Summary by Operating Segment

Document Solutions

(Billions of yen)					
Revenue	YoY		Operating income	YoY	
536.1	(56.5)	(-9.5%)	36.9	(11.4)	(-23.7%)

- Regarding the office products business, the overall sales volume remained unchanged from the previous fiscal year. In Japan the sales of monochrome models were strong. In Asia-Oceania region, sales volume of both monochrome models and full-color models increased.
- In the office printers business, overall sales volume decreased due to the decrease particularly in export shipments to the United States and Europe. However, strong sales of monochrome models were seen in Asia-Oceania region.
- Regarding the production services business, the overall sales volume decreased, while sales volume increased in Japan.
- In the global services business, managed print service business proceeded smoothly both in Japan and Asia-Oceania region.

Revenue and operating income decreased reflecting the negative impact of depreciation of Asian currencies, sales decrease in export shipments to the United States and Europe, and other factors.

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In the Document Solutions segment, revenue decreased due to the negative impact of yen appreciation, the sales decrease in export shipments to the United States and Europe, centering on the office printer business, and other factors.

Regarding the office products business, the overall sales volume remained unchanged from the previous fiscal year. In Japan the sales of monochrome models were strong. In Asia-Oceania region, sales volume of both monochrome models and full-color models increased.

Regarding the office printers business, overall sales volume decreased due to the decrease in Japan and in export shipments to the United States and Europe. However, strong sales of monochrome models were seen in Asia-Oceania region.

Regarding the production services business, the overall sales volume decreased, while sales volume increased in Japan.

In the global services business, managed print service business proceeded smoothly both in Japan and Asia-Oceania region.

Operating income decreased reflecting the negative impact of depreciation of Asian currencies, sales decrease in export shipments to the United States and Europe, and other factors.

However, operating income of the second quarter of FY2017/3 increased on an operating basis, which excludes the impact of foreign exchange rates.

We aim to expand sales of the global services business and others which are in growth fields and implement further sales expansion in the Asia-Oceania region. In addition, we will improve profitability by adding and accelerating the measures for expense reduction and cost improvement.

Consolidated Balance Sheet

(Billions of yen)

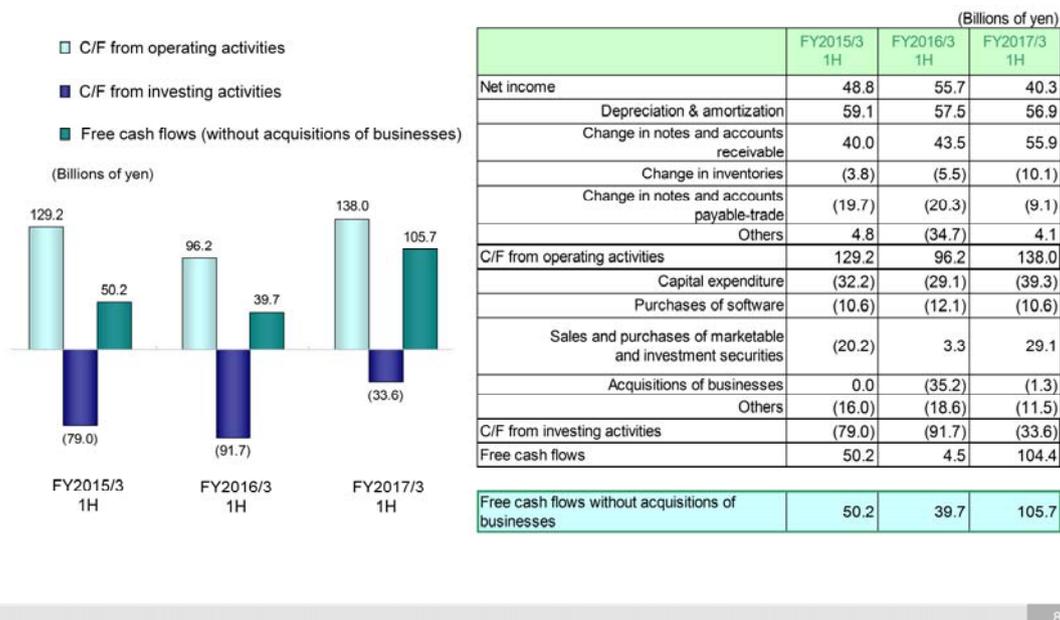
	Mar.15	Mar.16	Sep.16	Change from Mar.16		Mar.15	Mar.16	Sep.16	Change from Mar.16
Cash and cash equivalents	726.9	600.9	650.0	49.1	Short-term and long-term debt	349.7	365.7	381.9	16.2
Notes and accounts receivable	681.0	663.9	566.1	(97.8)	Notes and accounts payable	269.0	259.3	228.2	(31.1)
Inventories	372.5	352.9	341.2	(11.7)	Other liabilities	470.5	454.8	407.9	(46.9)
Other current assets	162.8	171.6	138.4	(33.2)	Total liabilities	1,089.2	1,079.8	1,018.0	(61.8)
Total current assets	1,943.2	1,789.3	1,695.7	(93.6)	Total FUJIFILM Holdings shareholders' equity	2,232.7	2,054.5	1,935.6	(118.9)
Property, plant and equipment	527.4	534.1	514.9	(19.2)	Noncontrolling interests	234.7	229.4	221.1	(8.3)
Goodwill, net	505.0	506.9	477.3	(29.6)	Total equity	2,467.4	2,283.9	2,156.7	(127.2)
Investment securities and other	581.0	533.4	486.8	(46.6)	Total liabilities and equity	3,556.6	3,363.7	3,174.7	(189.0)
Total noncurrent assets	1,613.4	1,574.4	1,479.0	(95.4)					(yen)
Total assets	3,556.6	3,363.7	3,174.7	(189.0)	Exchange Rates	Mar.15	Mar.16	Sep.16	Change from Mar.16
					US\$/¥	¥120	¥113	¥101	¥(12)
					€/¥	¥130	¥128	¥113	¥(15)

Total assets, as of September 30, 2016, totaled ¥3,174.7 billion, decreased by ¥189.0 billion, compared with the end of the previous fiscal year, owing to decrease in notes and accounts receivable and other factors.

Total liabilities decreased by ¥61.8 billion to ¥1,018.0 billion. FUJIFILM Holdings shareholders' equity decreased by ¥118.9 billion, compared with the end of the previous fiscal year, to ¥1,935.6 billion reflecting the effects of exchange rates due to yen appreciation and other factors.

The current ratio decreased by 4.7 percentage points, to 289.0%, the debt-equity ratio remained unchanged from the end of the previous fiscal year of 52.6%, and the equity ratio decreased by 0.1 percentage points, to 61.0%, 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



Net cash provided by operating activities totaled ¥138.0 billion due to the decrease in notes and accounts receivable and other factors.

Net cash used in investing activities amounted to ¥33.6 billion due to the capital investment and others.

Thus, free cash flows were ¥104.4 billion.

Consolidated Financial Forecast for FY2017/3 (as of Oct. 27, 2016)

(Billions of yen)

	FY2016/3	FY2017/3 (Previous forecast)	FY2017/3 (Latest revised forecast)	Change from previous forecast	Change from previous year
Revenue	2,491.6 100.0%	2,550.0 100.0%	2,400.0 100.0%	(150.0) -5.9%	(91.6) -3.7%
Operating Income	191.2 7.7%	220.0 8.6%	192.0 8.0%	(28.0) -12.7%	0.8 +0.4%
Income before Income Taxes	194.5 7.8%	220.0 8.6%	192.0 8.0%	(28.0) -12.7%	(2.5) -1.3%
Net Income Attributable to FUJIFILM Holdings	123.3 4.9%	125.0 4.9%	112.0 4.7%	(13.0) -10.4%	(11.3) -9.2%
Net Income Attributable to FUJIFILM Holdings per Share	¥264.87	¥277.47	¥252.51	¥(24.96)	¥(12.36)
ROE	5.8%	6 to 7%	around 6%	—	—
Exchange Rates US\$/¥	¥120	¥110	¥105	¥(5)	¥(15)
€/\$	¥133	¥125	¥117	¥(8)	¥(16)
Silver Price (/kg)	¥60,000	¥60,000	¥60,000	—	—

Note: Impact of exchange rate movements on operating income (FY2017/3 full year) US\$/¥: ¥0.8 billion €/¥: ¥0.8 billion
Estimated currency exchange rate of 2H US\$/¥: ¥105 €/¥: ¥115

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Consolidated financial performance for the first half of FY2017/3, Fujifilm's both overall sales and operation income have been behind the plan, due to the negative impact of yen appreciation.

Considering these circumstances, FUJIFILM Holdings has revised down its consolidated earnings forecast.

Fujifilm revised its revenue to 2,400.0 billion, down 3.7% from the previous fiscal year, and operation income to 192.0 billion, up 0.4% from the previous fiscal year, thus securing profitable growth.

Fujifilm revised consolidated income before income taxes to ¥192.0 billion, down 1.3% from the previous fiscal year, and revised consolidated net income attributable to FUJIFILM Holdings to 112.0 billion, down 9.2% from the previous fiscal year.

The projected currency exchange rates for the U.S. dollar and the euro against the yen from the third quarter of the fiscal year ending March 31, 2017 are ¥105 and ¥115, respectively.

FUJIFILM

Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.

Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

FUJIFILM Holdings Corporation

Corporate Communication Office, Corporate Planning Div.

<http://www.fujifilmholdings.com/en/index.html>



Earnings for FY2017/3 1H

Appendix

Earnings for FY2017/3 2Q/1H

(Billions of yen)

	FY2016/3 2Q	FY2017/3 2Q	Change	FY2016/3 1H	FY2017/3 1H	Change
Revenue	635.2 100.0%	573.9 100.0%	(61.3) -9.6%	1,226.1 100.0%	1,120.9 100.0%	(105.2) -8.6%
Operating Income	44.5 7.0%	35.9 6.3%	(8.6) -19.3%	80.7 6.6%	63.5 5.7%	(17.2) -21.3%
Income before Income Taxes	40.0 6.3%	38.9 6.8%	(1.1) -2.8%	84.6 6.9%	60.6 5.4%	(24.0) -28.4%
Net Income Attributable to FUJIFILM Holdings	22.6 3.6%	22.3 3.9%	(0.3) -1.1%	46.9 3.8%	33.5 3.0%	(13.4) -28.5%
Exchange Rates	US\$/¥ ¥122	¥102	¥(20)	¥122	¥105	¥(17)
	€/¥ ¥136	¥114	¥(22)	¥135	¥118	¥(17)

〈Factors of change (1H YoY)〉 Operating income ---Exchange rate fluctuations: ¥ (23.3) billion,
Raw material prices: + ¥ 5.5 billion

Earnings for FY2017/3 2Q/1H

(Billions of yen)

Revenue	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Imaging Solutions	88.2	76.5	(11.7) (-13.2%)	173.1	153.2	(19.9) (-11.5%)
Information Solutions	242.3	223.8	(18.5) (-7.6%)	460.4	431.6	(28.8) (-6.3%)
Document Solutions	304.7	273.6	(31.1) (-10.2%)	592.6	536.1	(56.5) (-9.5%)
Total	635.2	573.9	(61.3) (-9.6%)	1,226.1	1,120.9	(105.2) (-8.6%)

Note: After elimination of intersegment transaction.

(Billions of yen)

Operating Income [Operating Margin]	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Imaging Solutions	7.9 [8.9%]	3.6 [4.7%]	(4.3) (-54.5%)	12.4 [7.1%]	8.9 [5.7%]	(3.5) (-28.5%)
Information Solutions	19.9 [8.2%]	17.7 [7.9%]	(2.2) (-11.0%)	34.8 [7.5%]	32.7 [7.6%]	(2.1) (-6.0%)
Document Solutions	24.2 [7.9%]	22.3 [8.1%]	(1.9) (-8.3%)	48.3 [8.1%]	36.9 [6.8%]	(11.4) (-23.7%)
Corporate Expenses & Eliminations	(7.5)	(7.7)	(0.2)	(14.8)	(15.0)	(0.2)
Total	44.5 [7.0%]	35.9 [6.3%]	(8.6) (-19.3%)	80.7 [6.6%]	63.5 [5.7%]	(17.2) (-21.3%)

FY2017/3 2Q (3 Months) Performance by Operating Segment**Imaging Solutions**

- In the photo imaging business, while the overall sales decreased due to the negative impact of yen appreciation and other factors, the sales of instant photo systems increased especially in the United States and Europe.
- In the electronic imaging field, while the overall sales decreased due to the negative impact of yen appreciation and other factors, the sales of flagship models of the mirrorless digital camera *FUJIFILM X-T2*, which was launched in September sold well.

Information Solutions

- In the medical systems business, the overall sales decreased due to the negative impact of yen appreciation and other factors, while sales proceeded steadily in the growth fields such as medical IT, IVD(in-vitro diagnostics). In the pharmaceutical business revenue decreased mainly due to the influence of generic drugs in the small-molecular pharmaceuticals.
- In the FPD materials business, the sales of *WV film* increased largely.
- In the industrial products business, the overall sales decreased due to the negative impact of yen appreciation, while the sales of touch-panel sensor films *EXCLEAR* were steady. In the electronic materials business, the sales of advanced products of peripheral materials related to photolithography proceeded steadily.

Document Solutions

- Both revenue and profit decreased due to the negative impact of depreciation of Asian currencies and other factors.

Earnings for FY2017/3 2Q/1H

■ Imaging Solutions

(Billions of yen)

Revenue	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Photo Imaging	61.8	53.0	(8.8) (-14.0%)	120.1	105.6	(14.5) (-12.0%)
Electronic Imaging	16.2	15.1	(1.1) (-6.6%)	32.5	31.0	(1.5) (-4.5%)
Optical Devices	10.2	8.4	(1.8) (-18.6%)	20.5	16.6	(3.9) (-19.2%)
Optical Device & Electronic Imaging Products	26.4	23.5	(2.9) (-11.3%)	53.0	47.6	(5.4) (-10.2%)
Total	88.2	76.5	(11.7) (-13.2%)	173.1	153.2	(19.9) (-11.5%)

Note: After elimination of intersegment transaction.

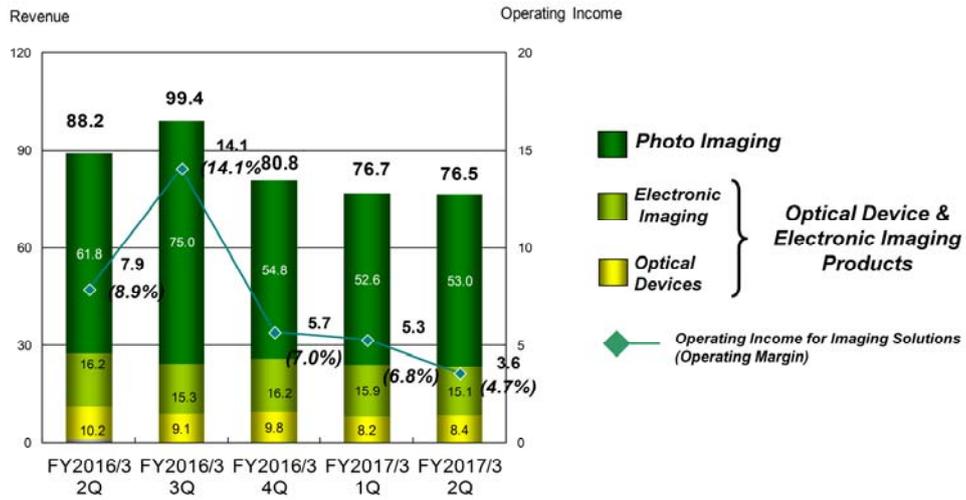
(Billions of yen)

Operating Income [Operating Margin]	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Imaging Solutions	7.9 [8.9%]	3.6 [4.7%]	(4.3) (-54.5%)	12.4 [7.1%]	8.9 [5.7%]	(3.5) (-28.5%)

Change in Quarterly Earnings by Operating Segment

■ Imaging Solutions

(Billions of yen)



Earnings for FY2017/3 2Q/1H

Information Solutions

(Billions of yen)

Revenue	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Healthcare	104.0	97.0	(7.0) (-6.7%)	192.0	180.1	(11.9) (-6.2%)
FPD Materials	24.7	24.8	0.1 (+0.4%)	45.6	48.5	2.9 (+6.4%)
Industrial Products	26.9	26.5	(0.4) (-1.6%)	52.2	51.7	(0.5) (-0.9%)
Electronic Materials	51.6	51.3	(0.3) (-0.6%)	97.8	100.2	2.4 (+2.5%)
Highly Functional Materials	11.0	11.9	0.9 (+7.5%)	21.8	21.7	(0.1) (-0.8%)
Recording Media	74.0	63.1	(10.9) (-14.6%)	145.5	127.2	(18.3) (-12.5%)
Graphic Systems	1.7	0.5	(1.2) (-69.9%)	3.3	2.4	(0.9) (-29.2%)
Others	242.3	223.8	(18.5) (-7.6%)	460.4	431.6	(28.8) (-6.3%)
Total						

Note: After elimination of intersegment transaction.

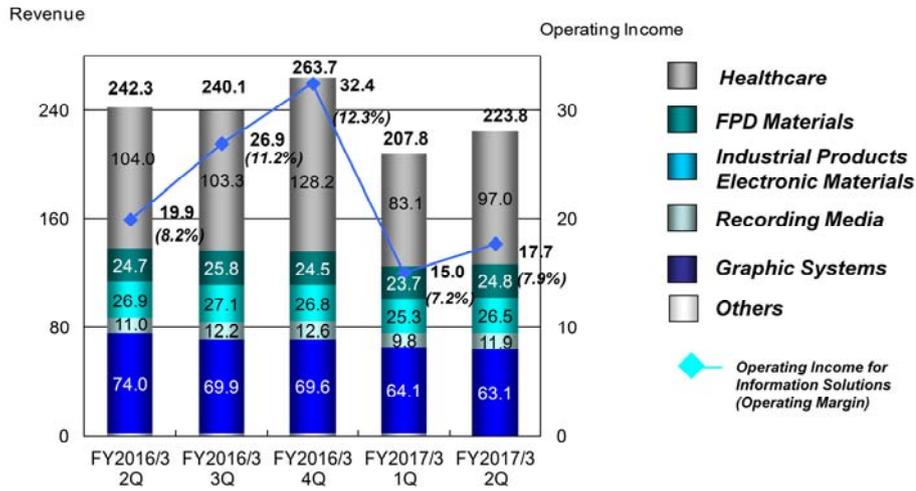
(Billions of yen)

Operating Income [Operating Margin]	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Information Solutions	19.9 [8.2%]	17.7 [7.9%]	(2.2) (-11.0%)	34.8 [7.5%]	32.7 [7.6%]	(2.1) (-6.0%)

Change in Quarterly Earnings by Operating Segment

Information Solutions

(Billions of yen)



Earnings for FY2017/3 2Q/1H

Document Solutions

(Billions of yen)

Revenue	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Office Products	131.2	118.8	(12.4) (-9.5%)	256.7	237.6	(19.1) (-7.4%)
Office Printers	48.6	41.8	(6.8) (-14.0%)	100.1	81.0	(19.1) (-19.1%)
Production Services	42.5	35.7	(6.8) (-15.9%)	80.5	69.3	(11.2) (-13.9%)
Global Services	50.3	48.2	(2.1) (-4.3%)	94.3	92.8	(1.5) (-1.7%)
Others	32.1	29.1	(3.0) (-9.1%)	61.0	55.4	(5.6) (-9.1%)
Total	304.7	273.6	(31.1) (-10.2%)	592.6	536.1	(56.5) (-9.5%)

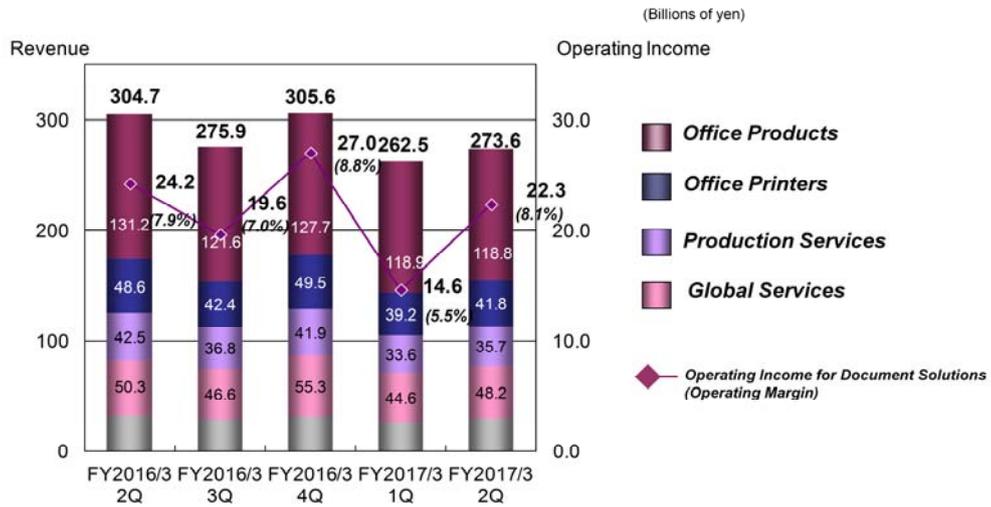
Note: After elimination of intersegment transaction.

(Billions of yen)

Operating Income [Operating Margin]	2Q			1H		
	FY2016/3	FY2017/3	Change	FY2016/3	FY2017/3	Change
Document Solutions	24.2 [7.9%]	22.3 [8.1%]	(1.9) (-8.3%)	48.3 [8.1%]	36.9 [6.8%]	(11.4) (-23.7%)

Change in Quarterly Earnings by Operating Segment

Document Solutions



Revenue from Domestic and Overseas

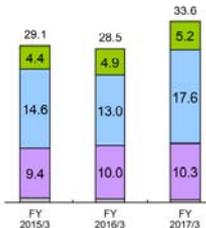
(Billions of yen)

	FY2016/3 1H		FY2017/3 1H		Change	
	Ratio (%)		Ratio (%)			
Domestic	39.0%	478.0	42.0%	470.2	(7.8)	(-1.6%)
The Americas	21.1%	258.3	19.3%	217.0	(41.3)	(-16.0%)
Europe	11.1%	136.4	11.1%	124.5	(11.9)	(-8.7%)
China	11.3%	138.9	11.5%	129.3	(9.6)	(-6.9%)
Asia and others	28.8%	353.4	27.6%	309.2	(44.2)	(-12.5%)
Overseas	61.0%	748.1	58.0%	650.7	(97.4)	(-13.0%)
Consolidated total	100.0%	1,226.1	100.0%	1,120.9	(105.2)	(-8.6%)

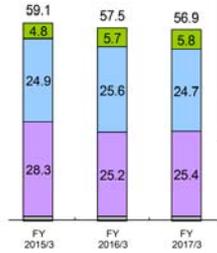
Capital Expenditure , Depreciation & Amortization

■ Corporate
 ■ Document
 ■ Information
 ■ Imaging

Capital Expenditure (1H)



Depreciation & Amortization (1H)



(Billions of yen)

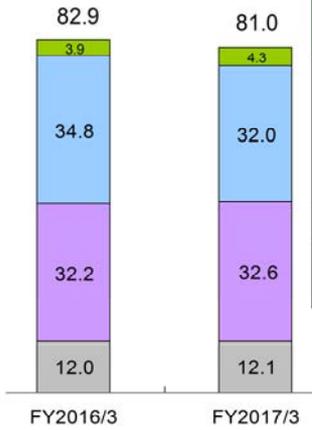
	2Q			1H			Full year		
	FY 2015/3	FY 2016/3	FY 2017/3	FY 2015/3	FY 2016/3	FY 2017/3	FY 2015/3	FY 2016/3	FY 2017/3 (forecast)
Imaging	2.9	3.1	3.1	4.4	4.9	5.2	7.9	10.1	-
Information	8.0	5.9	8.0	14.6	13.0	17.6	29.3	39.3	-
Document	5.5	6.3	6.0	9.4	10.0	10.3	17.3	23.3	-
Corporate	0.4	0.4	0.4	0.7	0.6	0.5	1.6	1.4	-
Capex *	16.8	15.7	17.5	29.1	28.5	33.6	56.1	74.1	89.0
Imaging	2.4	2.6	2.8	4.8	5.7	5.8	11.1	12.9	-
Information	12.7	12.9	12.2	24.9	25.6	24.7	51.0	52.0	-
Document	14.4	12.8	11.9	28.3	25.2	25.4	58.7	54.5	-
Corporate	0.5	0.6	0.5	1.1	1.0	1.0	2.1	2.0	-
Depreciation & Amortization	30.0	28.9	27.4	59.1	57.5	56.9	122.9	121.4	113.0
Depreciation*	16.6	15.5	14.7	32.3	30.7	28.8	65.1	65.9	62.0

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

R&D Expenses, SG&A Expenses

- Imaging
- Information
- Document
- Corporate

R&D Expenses (1H)



	2Q		1H		Full year	
	FY2016/3	FY2017/3	FY2016/3	FY2017/3	FY2016/3	FY2017/3 (forecast)
Imaging	2.2	2.1	3.9	4.3	8.0	-
Information	17.3	16.8	34.8	32.0	67.3	-
Document	16.2	16.2	32.2	32.6	63.2	-
Corporate	6.1	6.1	12.0	12.1	24.5	-
R&D Expenses	41.8	41.2	82.9	81.0	163.0	160.0
<ratio to revenue>	6.6%	7.2%	6.8%	7.2%	6.5%	6.7%
SG&A Expenses	162.5	149.0	317.0	300.3	622.4	-
<ratio to revenue>	25.6%	25.9%	25.8%	26.8%	25.0%	-

Exchange Rates, Raw Material Prices, and Number of Employees

Exchange Rates

(yen)

	FY2016/3						FY2017/3			
	1Q	2Q	1H	3Q	4Q	Full year	1Q	2Q	1H	Full year (forecast)
US\$/¥	121	122	122	122	115	120	108	102	105	105
€/¥	134	136	135	133	128	133	122	114	118	117

Raw Material Prices (Average)

(¥1,000/kg)

	FY2016/3						FY2017/3			
	1Q	2Q	1H	3Q	4Q	Full year	1Q	2Q	1H	Full year (forecast)
Silver	64	60	62	58	54	60	57	63	59	60

Number of Employees

	2015.Sep	2015.Dec	2016.Mar	2016.Jun	2016.Sep
Consolidated Total	78,158	77,928	78,150	78,882	78,976

Consolidated Financial Forecast for FY2017/3 by Segments (as of Oct. 27, 2016)

(Billions of yen)

Revenue	FY2016/3	FY2017/3 (Previous forecast)	FY2017/3 (Latest revised forecast)	Change from previous forecast	Change from previous year
Imaging Solutions	353.3	365.0	335.0	(30.0)	(18.3)
Information Solutions	964.2	985.0	935.0	(50.0)	(29.2)
Document Solutions	1,174.1	1,200.0	1,130.0	(70.0)	(44.1)
Total	2,491.6	2,550.0	2,400.0	(150.0)	(91.6)

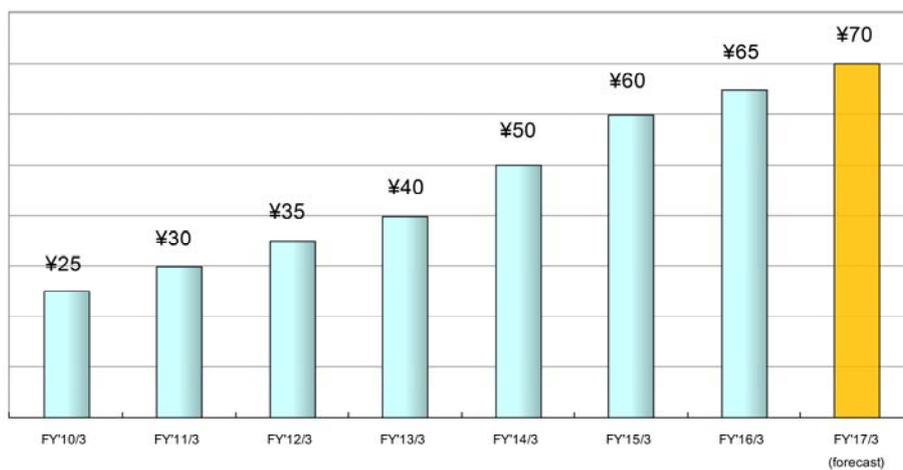
Note: After elimination of intersegment transaction.

Operating Income	FY2016/3	FY2017/3 (Previous forecast)	FY2017/3 (Latest revised forecast)	Change from previous forecast	Change from previous year
Imaging Solutions	32.2	38.0	32.0	(6.0)	(0.2)
Information Solutions	94.1	102.0	94.0	(8.0)	(0.1)
Document Solutions	94.9	110.0	96.0	(14.0)	1.1
Corporate Expenses & Eliminations	(30.0)	(30.0)	(30.0)	0.0	0.0
Total	191.2	220.0	192.0	(28.0)	0.8

Shareholder Returns

■ Dividend

Dividend for FY2017/3 is planned ¥70 per share, increased ¥5 from previous fiscal year. The dividend increase will be the 7 consecutive years.



Pipeline

Development code	Therapeutic category	Formulation	Region	Development stage	Note
T-705	Anti-influenza drug	Oral	Japan	Approved	Approved in March 2014 (AVIGAN®)
			U.S.A.	P III	Under clinical trials utilizing subsidy from the U.S. Department of Defense
T-3811	Quinolone synthetic antibacterial drug	Oral	China	Submitted an application for permission	Already launched as <i>Genimax</i> in Japan
T-2307	Antifungal drug	Injection	U.S.A.	P I completed	
T-817MA	Alzheimer's disease drug	Oral	U.S.A.	P II	Undertaking clinical trials with the Alzheimer's Disease Cooperative Study
			Japan	P II	Engaging in the search and identification of biomarkers with the CiRA of Kyoto University
T-4288	Macrolide antibacterial drug	Oral	Japan	P II	
ITK-1	Bio Castration-resistant prostate cancer drug	Injection	Japan	P III	
FF-10501	Relapsed or Refractory myelodysplastic syndrome drug	Oral	Japan	P I completed	
			U.S.A.	P I	Promoting clinical trial with the MD Anderson Cancer Center
FF-10502	Advanced/recurrent pancreatic/ovarian cancer drug	Injection	U.S.A.	P I	Promoting clinical trial with the MD Anderson Cancer Center
			Europe /Japan	Under non-clinical trial	
FF-21101	Bio Advanced/recurrent non-small cell lung/pancreatic cancer drug (armed antibody)	Injection	U.S.A.	P I	Promoting clinical trial with the MD Anderson Cancer Center
			Europe /Japan	Under non-clinical trial	
F-1311	Diagnostic drug for prostate cancer (Radiopharmaceuticals)		Japan	P II	
FF-10101	Acute Myeloid Leukemia (AML) drug	Oral	U.S.A.	Under non-clinical trial	

Note: FKB327 (a biosimilar of adalimumab) of FUJIFILM KYOWA KIRIN Biologics (FKB), an equity method affiliated company is under phase III clinical trial in U.S.A. and other countries. FKB238 (a biosimilar of bevacizumab) of JV between FKB and AstraZeneca is under phase III clinical trial in U.S.A., Europe, and others.

Appendix

FUJIFILM Holdings – Investor Relations

<http://www.fujifilmholdings.com/en/investors/index.html>

FUJIFILM Holdings Annual Report 2016

http://www.fujifilmholdings.com/en/investors/annual_reports/2016/index.html

IR Events Materials

http://www.fujifilmholdings.com/en/investors/ir_events/business_presentations/index.html

- Business presentation materials
- Dec. 2015 Business Presentation for Electronic Materials Business
- Mar. 2016 Presentation of R&D activities
- May 2016 Presentation of Document Solutions

What Kind of Company is Fujifilm?

<http://www.fujifilmholdings.com/en/investors/guidance/index.html>

FUJIFILM

Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.

Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

FUJIFILM Holdings Corporation

Corporate Communication Office, Corporate Planning Div.

<http://www.fujifilmholdings.com/en/index.html>