



Earnings of 3Q FY2010/3
(From April 1, to December 31, 2009)

FUJIFILM Holdings Corporation

January 29, 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.

The impact of the global recession is continuing to present Fujifilm with a harsh management environment. There is a trend toward economic recovery in China and other Asian countries as well as in NIEs in other regions. In Japan, economic conditions are recovering gradually, but the outlook remains uncertain because of a deflationary trend, yen appreciation, concerns regarding the possibility of an economic downturn, and other factors.

Amid these conditions, Fujifilm is promoting the rebuilding of its growth strategies for priority business fields while also advancing toward the creation of a more-resilient corporate structure through the resolute implementation of concentrated structural reform measures and the execution of measures to thoroughly cut costs and reduce expenditures.

Today, I will explain earnings results for the third quarter FY2010/3.

Performance Summary for 3Q FY2010/3

FUJIFILM

Challenge of yen appreciation along with a demand decrease accompanying the global recession
Powerfully promoting progress in structural reforms

Billions of yen

	3Q FY2009/3 (Oct. - Dec. 2008)		3Q FY2010/3 (Oct. - Dec. 2009)		Change		9 Months FY2009/3 (Apr. - Dec. 2008)		9 Months FY2010/3 (Apr. - Dec. 2009)		Change	
					Amount	%					Amount	%
Revenue	100.0%	565.7	100.0%	553.6	(12.1)	(2.1)	100.0%	1,904.2	100.0%	1,597.1	(307.1)	(16.1)
Operating Income Before Restructuring and Other Charges	0.7%	4.2	6.7%	37.0	32.8	-	4.7%	89.5	4.0%	63.6	(25.9)	(29.0)
Restructuring and Other Charges	0.5%	2.9	5.6%	30.8	27.9	-	0.4%	7.0	4.2%	66.0	59.0	-
Operating Income After Restructuring and Other Charges	0.2%	1.3	1.1%	6.2	4.9	-	4.3%	82.5	(0.2)%	(2.4)	(84.9)	-
Income Before Income Taxes	(4.5)%	(25.4)	1.3%	7.2	32.6	-	3.0%	56.3	(0.0)%	(0.7)	(57.0)	-
Net Income Attributable to FUJIFILM Holdings	(2.8)%	(15.9)	(0.3)%	(1.6)	14.3	-	1.5%	29.5	(0.4)%	(7.0)	(36.5)	-
Net Income Attributable to FUJIFILM Holdings per Share		¥(31.99)		¥(3.24)		¥28.75		¥58.64		¥(14.31)		¥(72.95)
Exchange Rates		¥97		¥90		¥(7)		¥103		¥93		¥(10)
US\$												
€		¥128		¥133		+¥5		¥151		¥133		¥(18)

7

[Third quarter (three-month period)]

During the third quarter of the fiscal year ending March 31, 2010 (three-month period), consolidated revenue amounted to ¥553.6 billion, down 2.1% from the same period of the previous year.

The portion of the ¥12.1 billion decrease in consolidated revenue attributable to the impact of yen appreciation was ¥12.4 billion, so consolidated revenue excluding the impact of yen appreciation was roughly at the same level as in the same period of the previous year.

Operating income before restructuring and other charges was ¥37.0 billion, owing to a sharp recovery in sales of FPD materials and an improvement in the profitability of electronic imaging business. As restructuring and other charges totaled ¥30.8 billion, operating income after restructuring and other charges amounted to ¥6.2 billion.

[Nine-month period]

During the nine months, consolidated revenue amounted to ¥1,597.1 billion, down 16.1% from the same period of the previous year. The portion of the ¥307.1 billion decrease in consolidated revenue attributable to the impact of yen appreciation was ¥89.5 billion.

For the nine-month period, operating income before restructuring and other charges was ¥63.6 billion, down 29.0%, and this decline resulted from such factors as the decrease in revenue and the impact of yen appreciation on profitability. Restructuring and other charges totaled ¥66.0 billion, so operating income after restructuring and other charges amounted to a loss of ¥2.4 billion.

Performance Summary for 3Q FY2010/3

FUJIFILM

■ By Segment

Billions of yen

	Segment	3Q FY2009/3	3Q FY2010/3	Amt.	%	9 Months FY2009/3	9 Months FY2010/3	Amt.	%
Revenue	Imaging	105.2	97.2	(8.0)	(7.6)	336.4	266.6	(69.8)	(20.7)
	Information	196.4	221.9	25.5	13.0	737.9	652.0	(85.9)	(11.6)
	Document	264.1	234.5	(29.6)	(11.2)	829.9	678.5	(151.4)	(18.2)
Operating Income Before Restructuring and Other Charges	Imaging	(1.3)	3.4	4.7	-	(8.8)	(7.9)	0.9	-
	Information	(11.9)	14.6	26.5	-	37.9	35.9	(2.0)	(5.5)
	Document	18.2	19.8	1.6	8.5	63.3	38.4	(24.9)	(39.3)
Restructuring and Other Charges	Imaging	0.7	2.9	2.2	-	(0.9)	12.4	13.3	-
	Information	0.9	24.0	23.1	-	3.5	40.4	36.9	-
	Document	1.3	3.9	2.6	-	4.4	13.2	8.8	-
Corporate Expenses and Eliminations	Total	(0.8)	(0.8)	0	-	(2.9)	(2.8)	0.1	-
Operating Income After Restructuring and Other Charges	Total	1.3	6.2	4.9	-	82.5	(2.4)	(84.9)	-

2

[Third Quarter (three-month period)]

Regarding consolidated revenue in the third quarter, while a year-on-year rise of 13.0% was seen in the information solutions segment, the overall trend in consolidated revenue mainly reflected a year-on-year surge of 164.0% in FPD materials business.

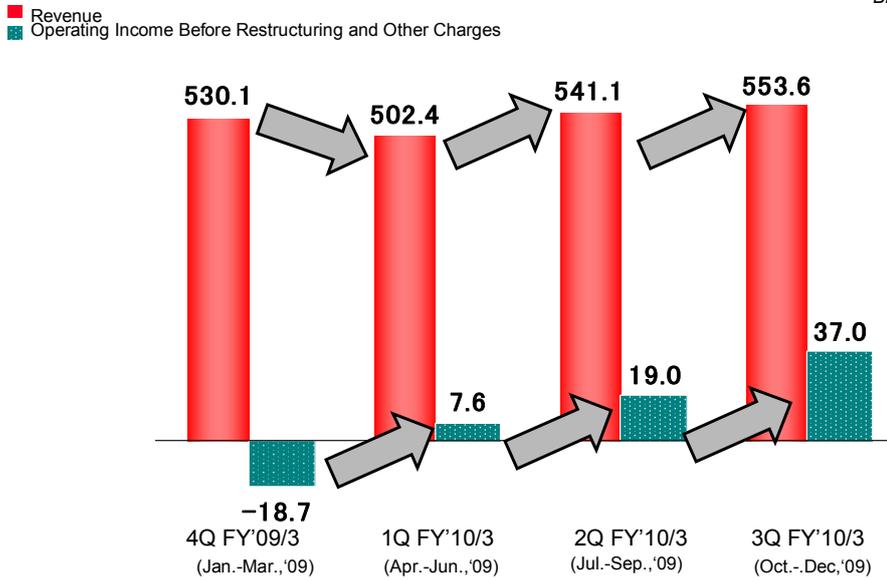
Operating income before restructuring and other charges improved in each of the three business segments. Factors contributing to the improvement included improved profitability in electronic imaging business, the sharp rise in FPD materials revenue, and the benefits of expense reductions and cost-cutting measures in each segment.

[Nine-month period]

I will explain the situation regarding the cumulative nine-month period later.

Trend of recovery
in revenue and operating income

Billions of yen



The graph shows trends in revenue and operating income before restructuring and other charges for each quarter.

There is a trend of recovery in both revenues and operating income.

Progress of the structural reforms

FUJIFILM

Structural reforms are proceeding smoothly ahead of the planned schedule.

(Billions of yen) 【Breakdown of expenses】

	9 months	Personnel	Facilities	
Imaging	12.4	7.0	5.4	Reduction in personnel in companies in Japan and overseas, closure and consolidation of development laboratories, partial suspension of color paper production at the Netherland plant.
Information	40.4	12.0	28.4	
Document	13.2	9.5	3.7	Reduction in personnel in companies in Japan and overseas, reduction of asset - Management innovation activities
Total Expense	66.0	28.5	37.5	

Scheduled to record structural reform expenses of ¥79.0 billion in 4Q
¥145.0 billion for the year as a whole, in line with the original plan

Imaging/ Information

- ✓ Centralization of administrative functions of local subsidiaries in regional headquarters in Europe, the United States, China, the rest of Asia, and other areas
- ✓ Substantial reductions in fixed costs, mainly in the photo business, and other measures (in all divisions of all Group companies in Japan and overseas)

Document

- ✓ Accelerate management innovation activities
 - Realign and integrate R&D functions
 - Promote optimization of manufacturing functions and additional reductions to cost of sales

Next, I will explain the progress made in our powerful implementation of structural reform measures throughout the Company and in all business fields.

Restructuring and other charges during the cumulative nine-month period amounted to ¥66.0 billion.

The reforms are being implemented smoothly and at a pace more rapid than originally planned.

During the fourth quarter, with respect to the imaging and information segments, we will implement a reorganization of overseas companies in Europe, the United States, and other regions, and we will also realize large reductions in fixed costs, particularly in photographic business.

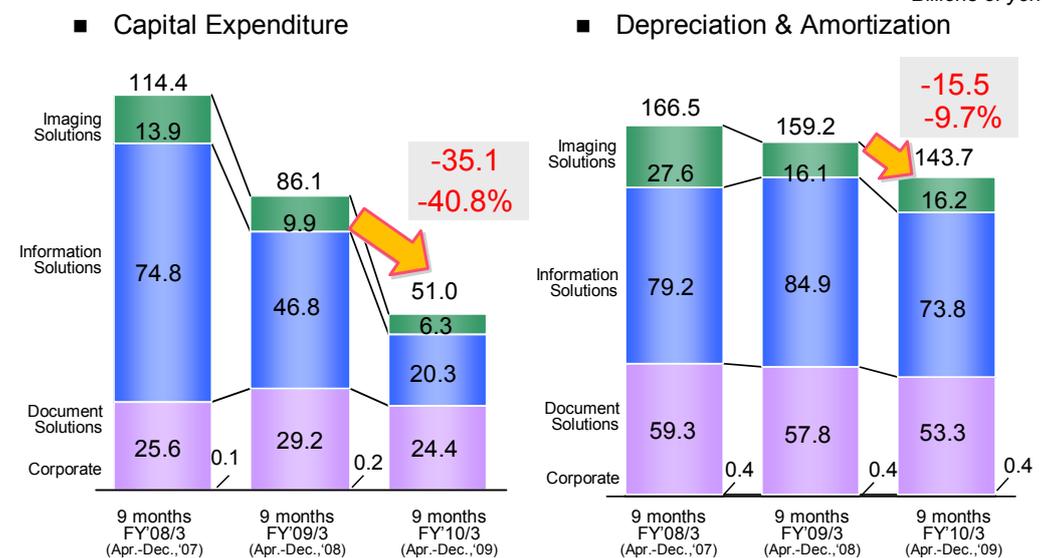
While I will explain this later in more detail, the management innovation activities we will be implementing in the document solutions segment encompass large-scale new measures, such as those related to the reorganization and consolidation of R&D functions.

The implementation of these various measures are projected to result in the recording of ¥79.0 billion in restructuring and other charges applicable to the fourth quarter. We, therefore, anticipate that our restructuring and other charges for the year as a whole will be ¥145.0 billion, as we originally planned.

Capital Expenditure and Depreciation & Amortization **FUJIFILM**

Decrease in capital expenditure and depreciation & amortization,
due to enhanced selectivity in capital investments and inventory reductions

Billions of yen



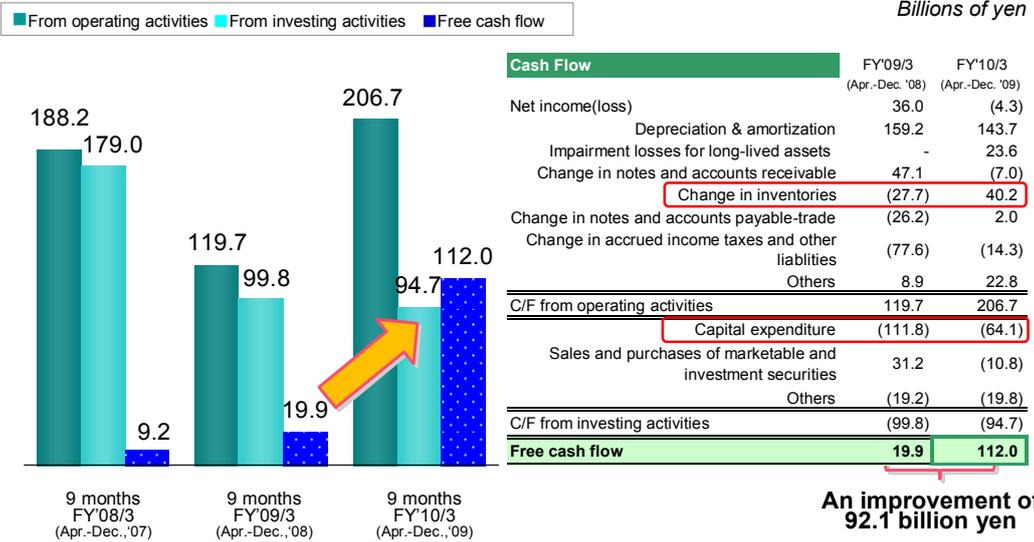
Since the previous fiscal year, we thoroughly have reevaluated our capital investments and restricted the implementation of capital investments to those associated with the most crucial projects. Reflecting this, our capital investments during the nine-month period amounted to ¥51.0 billion, down 40.8%, from the level in the same period of the previous fiscal year.

Owing to our previous application of impairment treatment for certain facilities, use of the 250% declining-balance method of depreciation, and other measures to accelerate depreciation and amortization, our depreciation and amortization expense for the nine-month period totaled ¥143.7 billion, down ¥15.5 billion, from the level in the same period of the previous fiscal year.

Cash Flow

FUJIFILM

Administrate each business based on operational ROA, economic added value, and operational cash flow. Considerable improvement in free cash flow due to enhanced selectivity in capital investments and inventory reductions



6

Looking at cash flows, while moving ahead with our structural reforms, we have also set goals in each business segment for improving operational ROA and augmenting economic added value and have proactively worked to enhance asset efficiency. As a result, our free cash flow is improving greatly.

During the nine-month period ended December 31, 2009, net cash provided by operating activities increased by ¥87.0 billion from the same period of the previous year, to ¥206.7 billion, owing to a decrease in inventories and other factors.

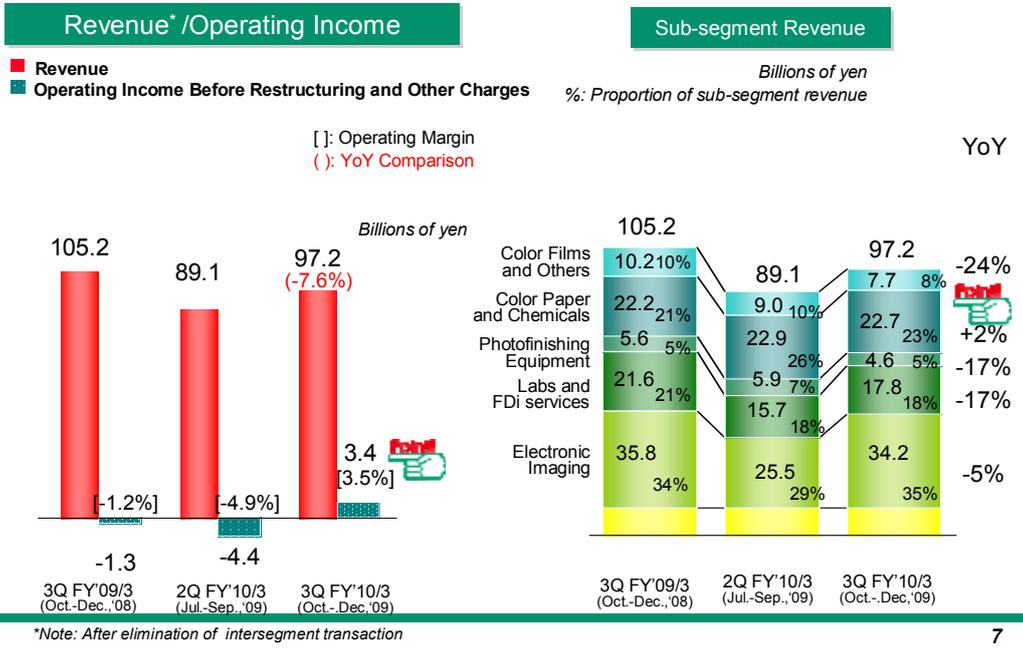
Net cash used in investing activities declined by ¥5.1 billion from the same period of the previous fiscal year, to ¥94.7 billion, because of the decrease in capital investments and other factors.

Thus, free cash flows—or the sum of cash flows from operating and investing activities—were increased by ¥92.1 billion to ¥112.0 billion in spite of the cash out flows due to the ongoing structural reform measures.

Operating Segments (3Quarter, Oct. - Dec.)



■ Imaging Solutions



First, I will take a look at consolidated revenue in the imaging solutions segment during the three-month third-quarter period.

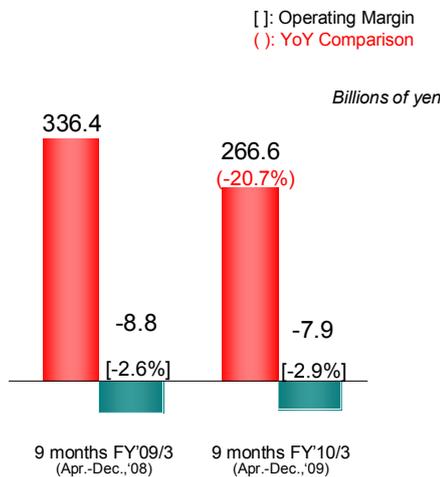
Despite the impact of falling demand for color film, we were able to record ¥97.2 billion in consolidated revenue, down only 7.6% from the same period of the previous year. This reflects increases in our share of the market for color paper. Our color paper sales rose to 2.0% above the level in the same period of the previous year.

Regarding operating income before restructuring and other charges, a large improvement in the profitability of digital camera operations turned the segment's overall profitability into black, as is shown in the graph on the left.

■ Imaging Solutions

Revenue* / Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



Revenue

¥266.6 billion (YoY: -20.7%)

- The impact of color film market shrinkage and yen appreciation decreased sales.
- Impact of yen appreciation: -¥25.0 billion (YoY: -7.4%)

Operating Income

Before restructuring and other charges:

-¥7.9 billion (YoY: Deficit narrowed)

After restructuring and other charges:

-¥20.3 billion (YoY: Deficit widened)

- Although a decline in sales of color film and other products in the photographic business field combined with the impact of yen appreciation to place downward pressure on profitability, a large improvement in digital camera business profitability enabled a reduction in the segment's overall operating loss.

*Note: After elimination of intersegment transaction

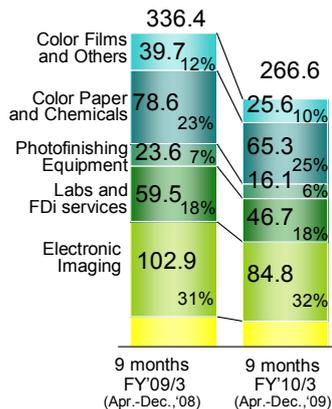
I will now explain the situation regarding the Imaging Solutions segment.

In the Imaging Solutions segment, consolidated revenue was negatively affected by such factors as declining demand for color films as well as the appreciation of the yen, and other factors. As a result, consolidated revenue in the Imaging Solutions segment amounted to ¥266.6 billion, down 20.7% from the same period of the previous fiscal year.

Although a decline in sales of color film and other products in the photographic business field combined with the impact of yen appreciation to place downward pressure on profitability, a large improvement in digital camera business profitability enabled a reduction in the segment's overall operating loss.

Sub-segment Revenue

Billions of yen
%: Proportion of sub-segment revenue



Color Films and Others ¥25.6 billion (YoY: -36%)

- Although sales continued to decline owing to market shrinkage, Fujifilm's market share increased.

Color Paper and Chemicals ¥65.3 billion (YoY: -17%)

- Amid intensifying competition with other companies, expanding marketing promotion measures related to high-value-added print offerings such as photo books.

Electronic Imaging ¥84.8 billion (YoY: -18%)

- Sales decreased due to a drop in unit prices and the impact of yen appreciation.
- Business operating profit was returned to the black owing to benefits generated by efforts to reduce cost of component, shrink fixed costs, and lower inventory levels.
- Sales of entry models were strong in NIEs as well as Europe and other markets.
- On a world wide basis, sales volume of digital cameras during 9 months 'FY10/3 amounted to approximately 7.2million units(YoY:+7%). The sales volume of entry model was 2.4million units.

The state of each operation in the Imaging Solutions segment is as shown.

Regarding the color paper business, Fujifilm's sales decreased due to the shrinking of demand, yen appreciation, and other factors, but the Company has increased market share in principal countries through marketing-promotion measures such as high-value-added print services including photo books.

In electronic imaging business, sales declined due to the impact of yen appreciation and drops in selling prices, but sales of entry model products for which we have strengthened our cost-competitiveness were robust in NIEs, Europe, North America, and other markets. Total sales volume amounted to 7.2 million units, of which entry models accounted for 2.4 million units.

We have greatly improved our profit-earning capabilities by means of thorough business structure reforms, including cost cuts related to components and other procured items as well as measures to reduce fixed costs and lower inventory levels. As a result, business operating profit was returned to the black.

Electronic Imaging

Leveraging exclusive technologies to create high-value-added, highly differentiated products and thereby strengthening product lineups with product models, including those designed for NIEs markets

FinePix F70EXR (on sale from Aug. 2009)

✓ Incorporating epochal new Super CCD EXR that operates in a manner even closer to that of the human eye



FinePix F70EXR

FinePix REAL 3D System (on sale from Aug. 2009)

✓ The FinePix REAL 3D System is the world's first 3D digital real imaging system that makes it simple to record high-quality, natural 3D images and enables the viewing of 3D images without special eyeglasses.



FUJIFILM FinePix REAL 3D System

The model designed for NIEs (launched sequentially from Jul. 2009)

✓ Priced at low levels below \$100, these products feature functions and designs that meet the needs of each marketing region.



「A170」the model designed for NIEs 10M, 3X zoom

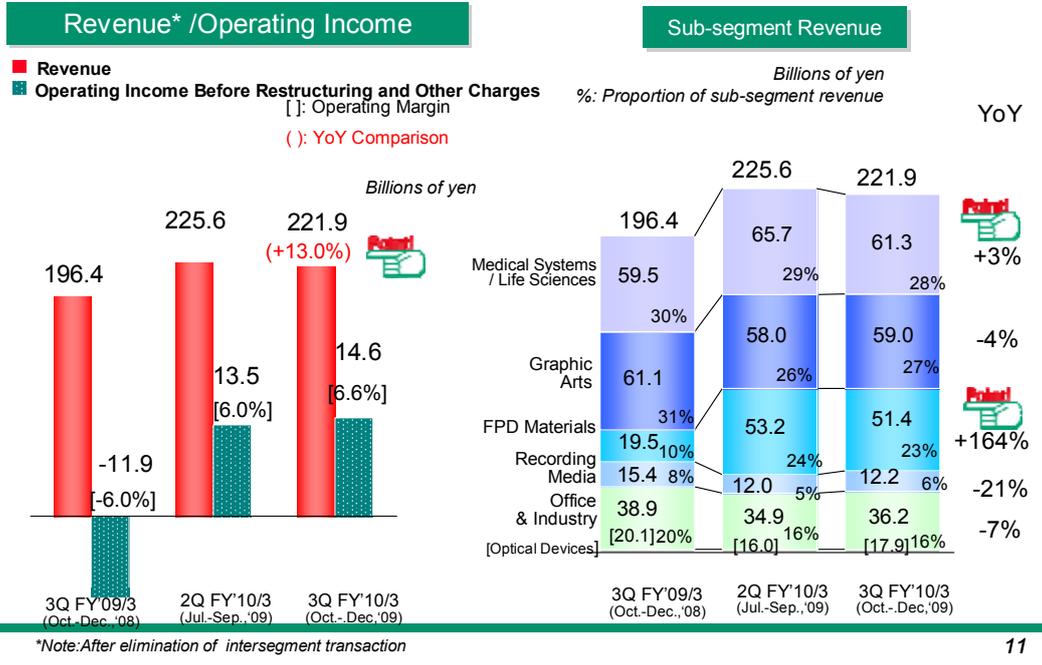
Slide No. 10 shows digital camera products newly launched during the current fiscal year.

In addition to high-value-added and highly differentiated items that leverage such exclusive Fujifilm technologies as Super CCD EXR and the 3D digital imaging system, the digital camera lineup has been strengthened with items ranging all the way to models for NIE markets. We project that our digital camera sales volume for the current fiscal year as a whole will surpass nine million and exceed the level in our original business plan.

Operating Segments (3Quarter, Oct. - Dec.)



Information Solutions



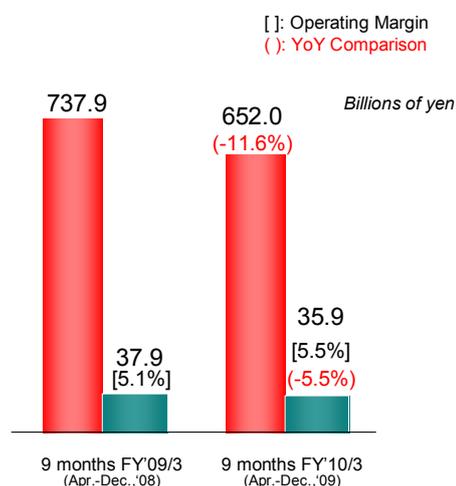
This segment's consolidated revenue during the three-month third-quarter period benefited from growth in sales of medical image information network systems in the medical system business and healthcare products in the life science business as well as a large rise in sales of FPD materials sales. As a result, consolidated revenue amounted to ¥221.9 billion, up 13.0% from the same period of the previous year.

Operating income before restructuring and other charges increased, reflecting the rise in FPD materials sales and the improvement of profitability in graphic arts operations and other factors.

■ Information Solutions

Revenue* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges



Revenue

¥652.0 billion (YoY: -11.6%)

- Sales in FPD materials and pharmaceutical business increased, but sales decreases in graphic arts, optical devices, and other fields led to an overall decline in revenue.

- Impact of yen appreciation: -¥32.4 billion (YoY: -4.4%)

Operating Income

Before restructuring and other charges:

¥35.9 billion (YoY: -5.5%)

After restructuring and other charges:

-¥4.5 billion (YoY: fell into red)

- Despite the impact from the sales decrease and yen appreciation, the strength of business in FPD materials and other fields kept the margin of decline in profitability very small.

*Note: After elimination of intersegment transaction

In the Information Solutions segment, consolidated revenue declined to ¥652.0 billion, down 11.6% from the same period of the previous year, owing to decreases in revenue from graphic arts and optical devices business resulting from the impact of the worldwide recession.

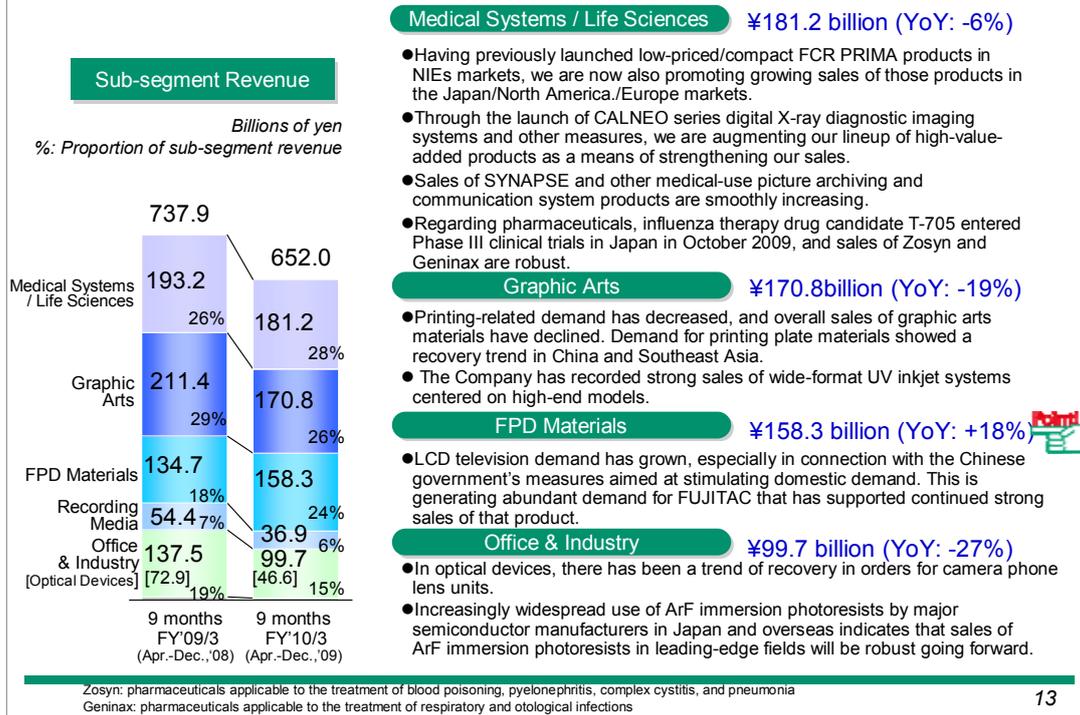
The operating income before restructuring and other charges was ¥35.9 billion, down 5.5% from the same period of the previous year.

Despite the decrease in sales and impact of yen appreciation, the sustained strength of FPD materials business restrained the rate of year-on-year decline in profitability to 5.5%.

Operating Segments (9 months, Apr. - Dec.)

Information Solution

FUJIFILM



The state of each operation in the Information Solutions segment is as shown.

Sales of the medical systems business decreased due to such factors as the impact of the worldwide recession and the decline in demand for film products. Having previously launched the FCR PRIMA—a compact and relatively low-priced product in the FCR (Fuji Computed Radiography) line—in NIEs markets, Fujifilm has been progressively expanding the marketing of that product along with sales promotion measures in Japan, North America, and Europe.

Through our launch of the CALNEO series of digital X-ray diagnostic imaging systems, which are able to both reduce the level of X-ray exposure and provide high-quality images, and through other measures, we are moving ahead with efforts to promote greater sales of high-value-added products.

Amid the steadily growing use of IT products related to medical institutions, sales of network system related products have been increasing steadily. The Company's SYNAPSE medical-use picture archiving and communications systems have now been adopted by more than 1,200 facilities in Japan, and Fujifilm is maintaining the leading market share in this field. The scope of use of the SYNAPSE system is being expanded to include functions for comprehensive network systems that can integrate a range of diagnostic images from all departments of medical facilities, including not only radiology centers but also cardiovascular, endoscopy, ultrasonic diagnosis, pathology, and other departments.

Regarding life science business, Toyama Chemical recorded an increase in its sales, and we also achieved growth in our sales of healthcare products centered on cosmetics and food supplements.

In the graphic arts business, sales declined reflecting such factors as the reduction in the number of publishing and newspaper pages, but demand in China, Southeast Asia, and certain other areas is recovering. Fujifilm is continuing to strengthen its measures aimed at expanding sales in the growth field of digital printing business, where the Company has recorded strong sales of wide-format UV inkjet systems centered on high-end models. The Jet Press 720 (provisional name), ground-breaking, next-generation inkjet digital color printing system achieving high-speed, high-quality, and large sheet size, was shown for the first time in Japan at the Japan Graphic Arts Show 2009 held in October 2009. The system was highly acclaimed and is scheduled to be launched in spring 2010.

Regarding the FPD materials business, demand for LCD televisions has been increasing because of the policies of the Chinese government to promote the ownership of household electric products. As a result, sales of WV film and FUJITAC products have recovered sharply since the beginning of this fiscal year and sales performance is remaining robust.

In the office and industry businesses, there has been a trend of recovery in orders for camera phone lens units.

And also we are also seeing confirmation of progress regarding the employment of our ArF immersion photoresist products by major semiconductor manufacturers in Japan and overseas. Going forward, we are expecting to expand our sales in this leading-edge-technology field.

FPD Materials

Initiated full-scale operations at the No. 9 WV Film Plant (Jul. 2009)

- ✓ Responding to growing demand for LCD televisions in NIEs
- ✓ Strengthening WV Film manufacturing capabilities and establishing systems that ensure stable product supplies.

Initiated operations at the No.2 FUJITAC manufacturing line of the No.3 plant(Dec. 2009)

- ✓ In accordance with previous plans, FUJIFILM Kyushu has increased the annual FUJITAC manufacturing capacity of its six production lines at three plants
- ✓ The total manufacturing capacity is 6.8 million m²



No. 9 WV Film plant

Pharmaceuticals

(Ref.P28))

Toyama Chemical's net sales in the 9 months period were up 33% compared with the same period of the previous year.

- ✓ Zosyn and Geninax achieved steady sales growth.

Launch of Ozex fine granules for children (on sale from Jan. 12, 2010)

- ✓ New options for treatment of pneumonia and otitis media in children-areas where progress is stalled

Start of Phase III Clinical Trials of T-705 as a treatment for influenza infections in Japan (from Oct. 29, 2009)



Zosyn



Geninax

Next, I will explain some noteworthy topics with respect to information solutions operations this fiscal year.

To meet needs associated with rising demand for LCD televisions and PC monitors centered on the NIEs, the Company initiated full-scale operations at the No. 9 WV Film manufacturing plant of FUJIFILM Opto Materials Co., Ltd., in July 2009, and at the No. 2 FUJITAC manufacturing line of the No. 3 plant of FUJIFILM Kyushu Co., Ltd., in December 2009.

Regarding pharmaceuticals, Toyama Chemical's revenues in the nine-month period through the third quarter were up 33.0% compared with the same period of the previous year, because Zosyn and Geninax achieved steady sales growth.

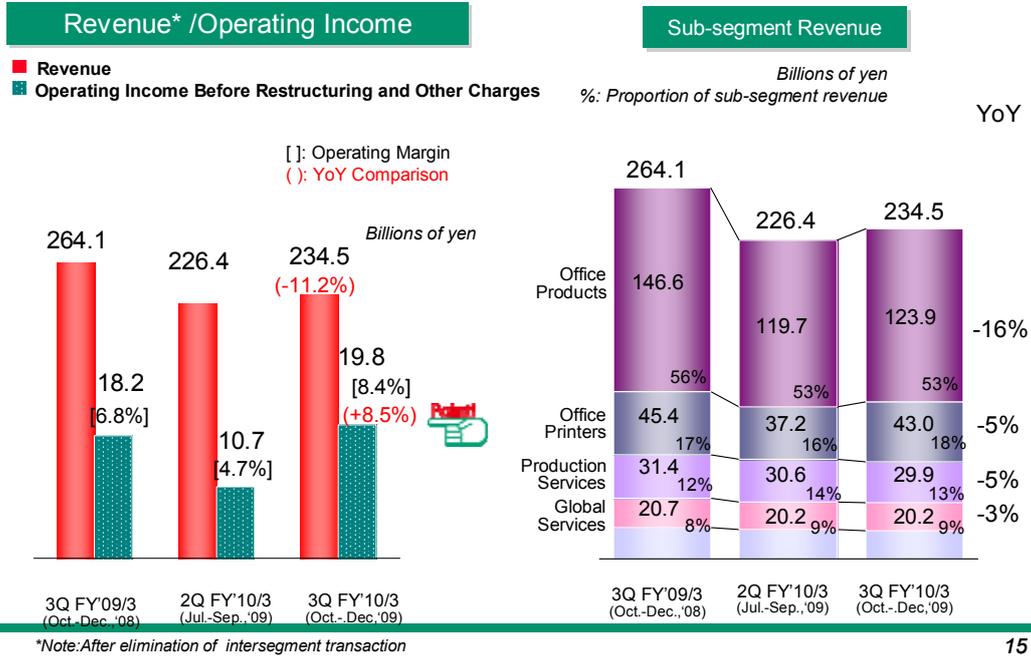
On the 12th January, we launched OZEX fine granules for children, which is expected to provide healthcare professionals with another effective therapeutic option for difficult-to-treat cases of pneumonia and otitis media among children.

In addition, T-705—a drug candidate for the application of treating the new strains of influenza that have been attracting increasing attention—entered Phase III clinical trials in Japan on October 29, 2009.

Operating Segments (3Quarter, Oct. - Dec.)



■ Document Solutions



In the Document solutions segment, during the three-month third-quarter period, consolidated revenue declined to ¥234.5 billion, down 11.2% from the same period of the previous fiscal year. This reflected such as a slack demand in domestic market, though sales units of color printer in China and other Asian countries increased.

Amid sluggish demand in the domestic market for color multifunction devices, the benefits of our new product launches are enabling our sales volume to recover to roughly the level recorded in the previous fiscal year. While the benefits of shipments of rental copiers to the 7-Eleven chain are temporary, if those shipments are included, then sales volume is up greatly, to 35.0% above the level in the previous fiscal year.

However, reflecting the contribution of benefits from management innovation activities, the segment's operating income before restructuring and other charges surged to ¥19.8 billion, up 8.5% from the previous year.

Moreover, operating income was greatly improved compared with the second quarter, and the operating income ratio reached 8.4%.

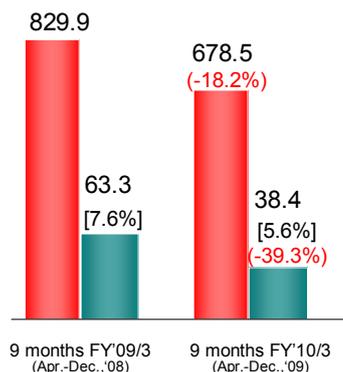
■ Document Solutions

Revenue* /Operating Income

- Revenue
- Operating Income Before Restructuring and Other Charges

[]: Operating Margin
(): YoY Comparison

Billions of yen



Revenue

¥678.5billion (YoY:-18.2%)

- The impact of slack demand and yen appreciation caused a sales decline, although there have been trends of recovery in certain sectors. For example, excluding the impact of exchange rate trends, positive growth has been recorded from the beginning of the latter half of the year in China and other Asian markets.
- Impact of yen appreciation: -¥32.1 billion(YoY:-3.9%)

Operating Income

Before restructuring and other charges:

¥38.4billion (YoY: -39.3%)

After restructuring and other charges:

¥25.2billion (YoY: -57.2%)

- Continued efforts to reduce cost of sales and to strictly manage SG&A costs to increase cost efficiency are supporting trends of recovering profitability in the latter half of the year

*Note:After elimination of intersegment transaction

During the nine months period , consolidated revenue declined to ¥678.5 billion, down 18.2% from the same period of the previous fiscal year. This reflected such factors as a decrease in revenue associated with slack demand as well as the impact of yen appreciation.

Operating income before restructuring and other charges for the segment totaled ¥38.4 billion, down 39.3% from the same period of the previous fiscal year.

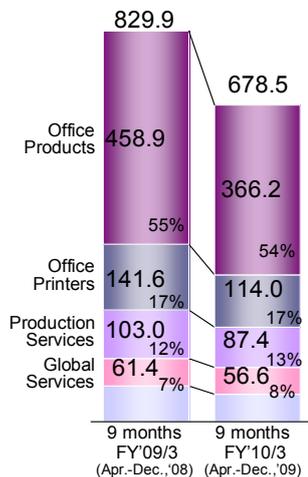
Operating Segments (9 months, Apr. - Dec.)

Document Solution

FUJIFILM

Sub-segment Revenue

Billions of yen
%: Proportion of sub-segment revenue



Office Products

¥366.2billion (YoY: -20%)

- In Japan, although the impact of corporate efforts to restrain capital investment has reduced revenue, there is a trend of recovery in the number of copies being made.
- Exports to U.S.-based Xerox Corporation decreased. In the Asia-Oceania region, however, growing sales volume in the Chinese market enabled a recovery to the level in the previous year.

Office Printers

¥114.0billion (YoY: -20%)

- Although falling demand in Japan reduced domestic sales volume, there is a trend of recovery in exports of color products to U.S.-based Xerox Corporation.
- Regarding the Asia-Oceania region, strong performances in China and other Asian markets led to a large rise in sales volume.

Production Services

¥87.4billion (YoY: -15%)

- With respect to domestic sales and exports to U.S.-based Xerox Corporation, although overall sales volume decreased, sales of light production color system products have been strong.
- In the China-Oceania region, light production color system sales have been strong, and the sales volume of such products has risen.

Global Services

¥56.6 billion (YoY: -8%)

- Although the impact of deteriorating economic conditions caused sales to decrease, an increase was recorded in managed print services.

The state of each operation in the Document Solutions segment is as shown.

Regarding the office product business, in Japan, the impact of corporate efforts to restrain capital investments and reduce expenditures in response to slack economic conditions caused a decrease in office product sales volume, but there is a trend of recovery in the number of copies being made. Amid these situations, Fuji Xerox maintained strong sales of its full-color digital multifunction ApeosPort-IV/DocuCentre-IV Series(8 models), which was launched in August 2009 and features industry-leading energy-conservation together with superior functions and ease of operation. In addition, we have begun developing a new market with our December 2009 launch of the DocuCentre-IV C2260 multifunction device for small offices.

In the Asia-Oceania region, sales volume in the Chinese market began recovering and reached a level roughly equivalent to the level in the previous year. Exports to U.S.-based Xerox Corporation showed a trend of recovery from the beginning of the third quarter.

In the office printers business, decreased demand led to a decline in the volume of sales in Japan. Looking at exports to Xerox Corporation, shipments of color products showed a trend of recovery from the beginning of the third quarter. In the Asia-Oceania region, strong sales were maintained in China and other Asian countries, and sales volume for the region as a whole greatly increased.

Regarding the production services business, sales of the 700 Digital Color Press light production color system continued to be robust. In the Asia-Oceania region in particular, this system acted as a driver of sales volume. In December 2009, we announced two models of our Color 1000 Press/Color 800 Press—a new color on-demand printing system that is the first high-end-class system of its type to employ EA-Eco toner, which has earned a solid reputation for providing high image quality—and we are taking measures to further strengthen our product lineup in this field.

One after another epochal new products have been launched since August, strengthening the product lineup for marketing operations

Office Product

ApeosPort-IV/DocuCentre-IV Series (8 models)



Realization of the world's top energy conservation performance along with outstanding functionality and ease of operation!

- First incorporation of LEDs and EA-Eco toner in office-use products

[On sale from Aug. 2009](#)

DocuCentre-IV C2260



Strengthening products for small offices—beginning the full-scale development of the medium-sized and small-scale business facility market!

- Besides employing EA-Eco toner, this product has realized a combination of compact size, superior basic functions, and a high cost-performance ratio.

[On sale from Dec. 2009](#)

Production Service

Color 1000 Press / Color 800 Press (2 models)



Realizing even higher levels of image quality, productivity, and dependability so that we can dynamically lead the development of the production color printing market

- First high-end-class system of its type to employ EA-Eco toner
- Expanded range of paper compatibility—able to print on thin paper as well as thick paper

[To be launched sequentially from Jan. 29, 2010](#)

As has already been explained, Fuji Xerox has been launching one after another revolutionary new products since August—as is shown in slide 18—and this is strengthening that company's product lineup.

These new products employ our proprietary EA-Eco toner, which allows the image-fixing process to be performed at a lower temperature than previously, thereby making it possible to realize energy conservation along with high-quality images. As a result, the new products are highly competitive.

Realigns and consolidates development and manufacturing functions to form two new companies

Accelerates business restructuring towards a more robust corporate structure and a stronger competitive edge

(Ref. P29)

Realigning and consolidating R&D functions



Strengthening technological power and customer-response capabilities

R&D functions in five bases scattered about Japan are to be reorganized on the hubs of Fuji Xerox and newly established Fuji Xerox Advanced Technology and consolidated into a new R&D facility in Minato Mirai 21, Yokohama City

【Fuji Xerox】

Concentrating on product development, platforms, marking technologies, and new technology development

【Fuji Xerox Advanced Technology】

Development of modules for image capture, paper feeding, FAX, finishing as well as custom development to swiftly meet customer needs.

Optimizing the manufacturing functions



strengthening cost-competitiveness

Consolidated the manufacturing functions of newly established Fuji Xerox Manufacturing

- Consolidation at the Takematsu Center of manufacturing processes for ground toner and other products previously manufactured at several sites
- Consolidation at the Niigata Factory (previously Niigata Fuji Xerox Manufacturing) of high-tech manufacturing operations centered on production of Office Products (comprehensive shift of office printer manufacturing operations to China)

Yesterday, we made an announcement on the management innovation activities of Fuji Xerox. These activities are designed to strengthen the business structure of document solutions operations by “realigning and consolidating R&D functions” and “optimizing manufacturing functions.” For an overview of realigning measures, please refer to slide No. 29.

Regarding “R&D functions,” our plans call for consolidating R&D functions previously scattered among affiliated companies to create two main organizations—an R&D organization based in Fuji Xerox and an R&D organization based in a newly established company, Fuji Xerox Advanced Technologies. By clearly defining the responsibilities of each organization, we intend to augment our productivity and technological power as well as strengthen our capabilities for responding to customers. At the same time, we are focusing the investment of resources in fields that we have identified as growth/focus fields meriting the strengthening of operations.

Regarding “manufacturing functions,” we plan to consolidate manufacturing functions within a newly established company, Fuji Xerox Manufacturing, and implement thorough measures to improve productivity drastically, while also strengthening our manufacturing technologies and technological capabilities on the front lines of manufacturing operations. By means of these measures, we are aiming to be the top company in our industry with respect to cost-competitiveness power.

Looking at specific initiatives, we are consolidating manufacturing processes for ground toner and other products previously manufactured at multiple facilities. By consolidating these processes at the Fuji Xerox Manufacturing Takematsu Center, we will increase capacity utilization rates.

In addition, we are comprehensively shifting office printer manufacturing productions to China and working to strengthen those operations with respect to the use of mass-manufacturing methods and the upgrading of cost-competitiveness.

The manufacturing of production color printing products and other products requiring particularly higher skills manufacturing processes will be consolidated within Fuji Xerox Manufacturing Niigata Center, and measures will be taken to strengthen associated technological capabilities.

Finally, the back-office functions of various companies will be gathered, and measures will be taken to increase the efficiency of those functions.

Revision of Forecast for FY2010/3

FUJIFILM

Billions of yen

	FY2010/3 Latest plan (Apr.'09- Mar. '10)		FY2010/3 Prevision plan (Announced on Oct. 30, '09)		Change		FY2009/3 Actual (Apr.'08 - Mar.'09)	
					Amount	%		
Revenue	100.0%	2,170.0	100.0%	2,300.0	(130.0)	(5.7)	100.0%	2,434.3
Operating Income Before Restructuring and Other Charges	3.7%	80.0	2.4%	55.0	25.0	45.5	2.9%	70.8
Restructuring and Other Charges	6.7%	145.0	6.3%	145.0	0	-	1.4%	33.5
Operating Income After Restructuring and Other Charges	(3.0)%	(65.0)	(3.9)%	(90.0)	25.0	-	1.5%	37.3
Income Before Income Taxes	(3.1)%	(68.0)	(4.0)%	(93.0)	25.0	-	0.4%	9.4
Net Income Attributable to FUJIFILM Holdings	(2.4)%	(52.0)	(2.6)%	(60.0)	8.0	-	0.4%	10.5
Net Income Attributable to FUJIFILM Holdings per Share		¥(106.43)		¥(122.80)		¥16.37		¥21.10
Exchange Rates								
US\$		¥93		¥93		-		¥101
€		¥131		¥132		¥(1)		¥145

Impact of exchange rates movement on operating income (full year, ¥1 change)
 US\$: ¥0.6 billion €: ¥0.5 billion

20

I will explain our performance forecast.

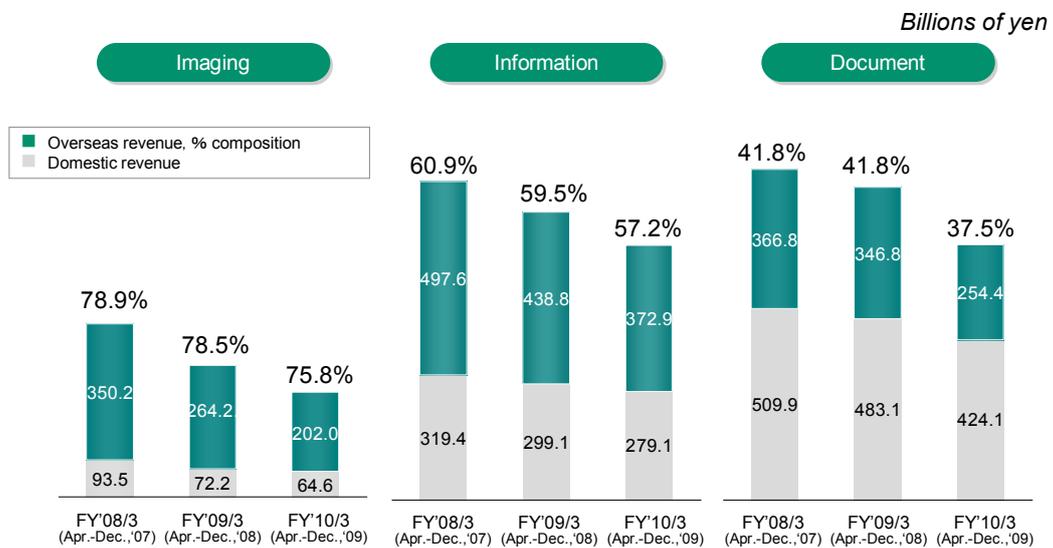
The business environment remained harsh and unclear. Regarding the Company's principal business fields, revenue has remained below the forecast reflecting a delay in the recovery from decreased demand according with the economic recession. On the other hand, the Company has been expanding sales of competitive products, and the entire Fujifilm Group and all of its business fields have been resolutely moving ahead with structural reforms and progressively implementing thorough cost and expenditure reductions. As a result, our profitability has been improved more rapidly than our forecast.

Considering these circumstances and the performance outlook for the fourth quarter of the current fiscal year, the Company has revised down its revenue forecast and revised up its consolidated profit forecast for the fiscal year ending March 31, 2010.

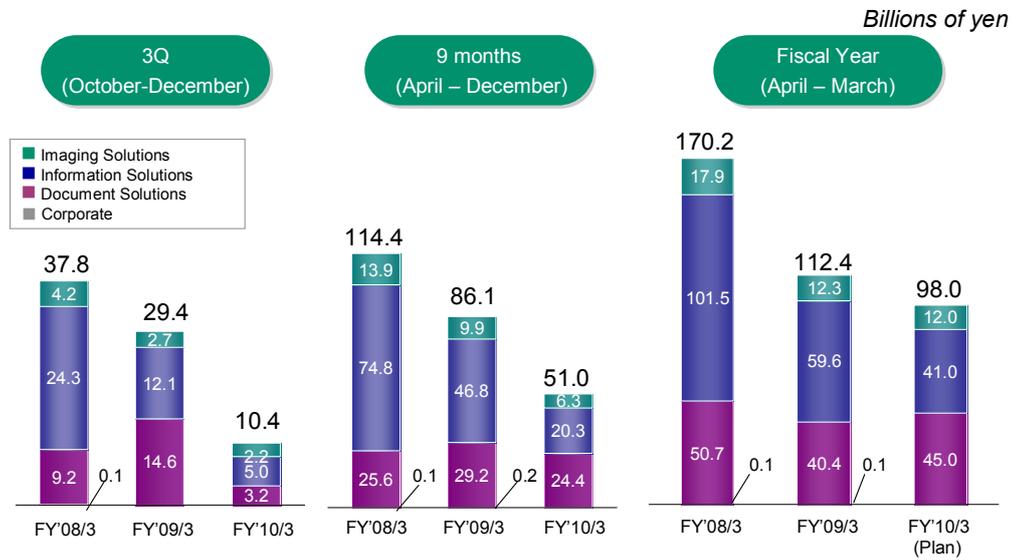
The projected currency exchange rates for the U.S. dollar and the euro against the yen after the fourth quarter are ¥90 and ¥125, respectively.

Thank you very much for your attention.

■ Revenue from Overseas (9 months, Apr.-Dec.)



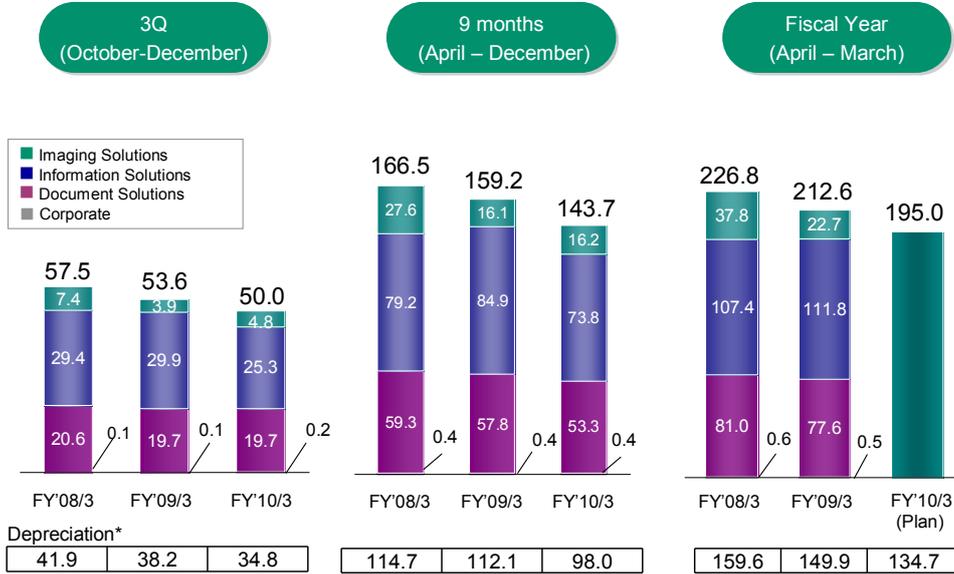
■ Capital Expenditure*



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

■ Depreciation & Amortization

Billions of yen



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

■ R&D Expenses

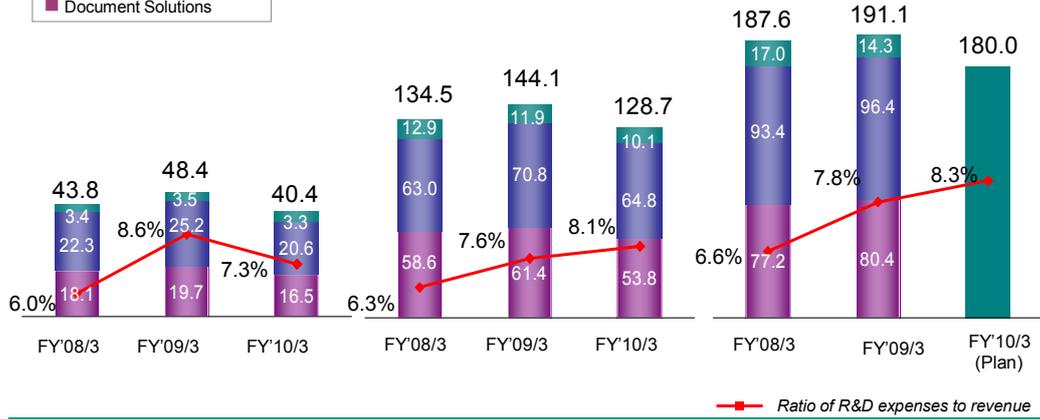
Billions of yen

3Q
(October-December)

9 months
(April - December)

Fiscal Year
(April - March)

- Imaging Solutions
- Information Solutions
- Document Solutions



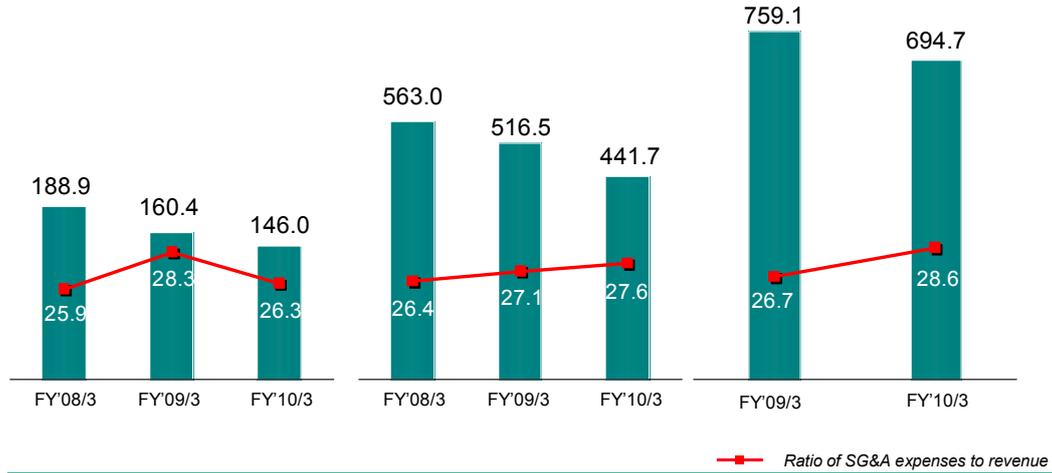
■ SG&A Expenses

Billions of yen

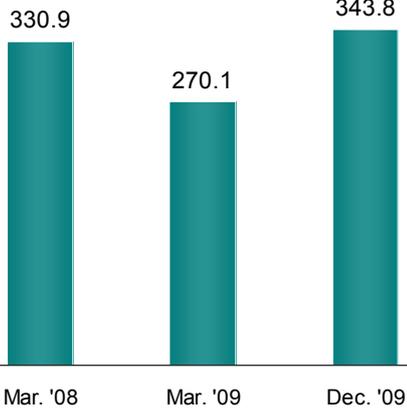
3Q
(October-December)

9 months
(April - December)

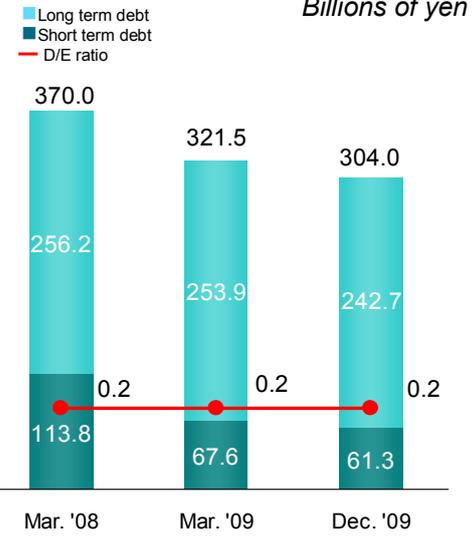
Fiscal Year
(April - March)

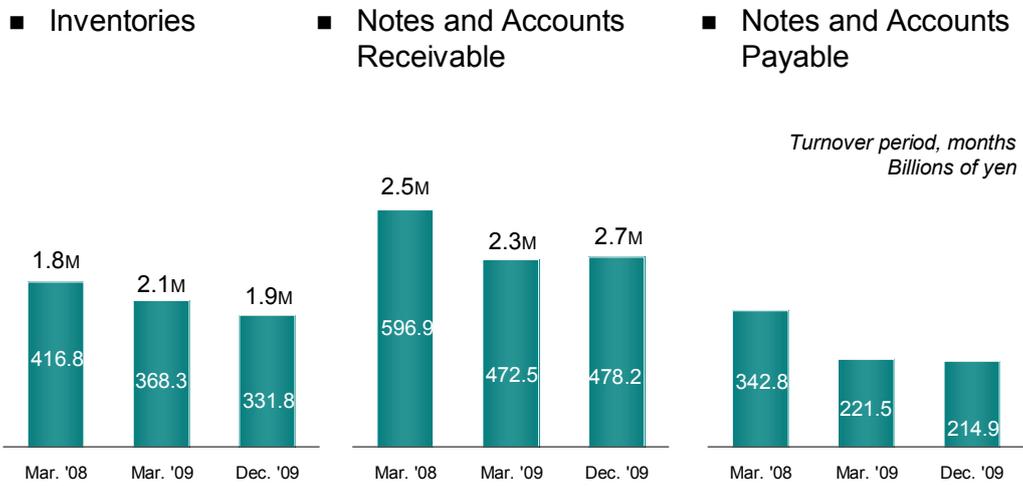


■ Cash and Cash Equivalents



■ Interest Bearing Debt





■ Current State of New Drug Development

Development code	Therapeutic category	Region	Development stage					Formulation
			Non-clinical	P I	P II	P III	Filed	
T-3762	Quinolone synthetic antibacterial	Japan						Injection*
T-614	Rheumatoid arthritis	Japan						Oral
T-3811	New-type quinolone synthetic antibacterial	Japan						Injection**
		U.S.A.						Oral/Injection
		Europe						
T-705	Antiviral	Japan						Oral
		U.S.A.						
T-817MA	Alzheimer's disease	U.S.A.						Oral
T-5224	Rheumatoid arthritis	Japan						Oral
		Overseas						
T-2307	Antifungal	U.S.A.						Injection
T-1106	Antiviral	Japan						Oral

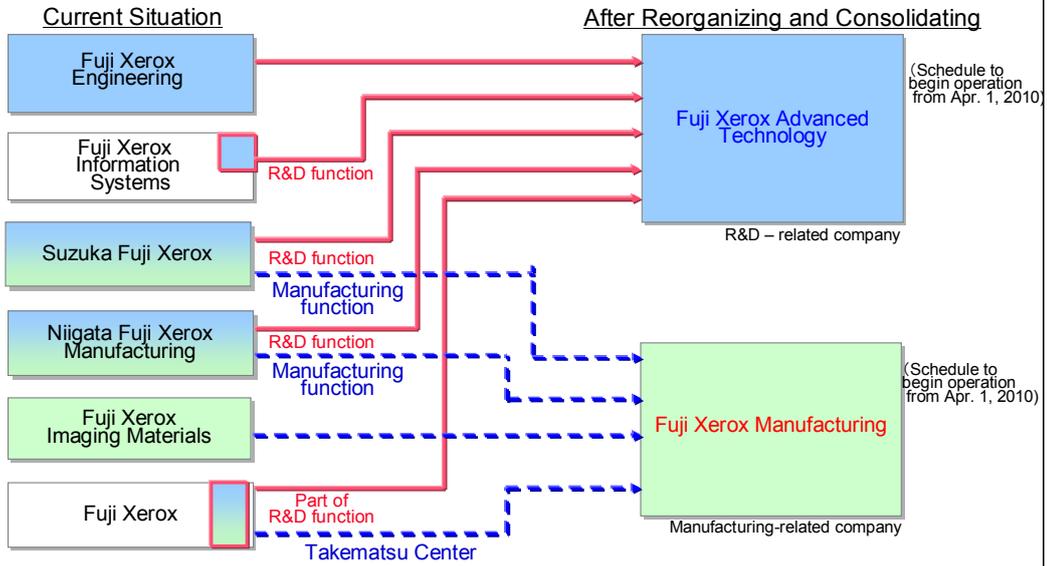
* Additional dosage of "PASIL" intravenous drip, which is currently sold on the market

** Oral drugs are sold under the name "Geninax"

>Changes since the previous announcement (Oct 30, 2009):

T3262 fine granules(Ozex 15% fine granules for children) : Deleted from chart because marketing began in Jan. 2010

■ Fuji Xerox
Reorganizing and consolidating R&D and manufacturing functions



- Exchange Rates

Yen

	FY 2009/3						FY 2010/3					
	9 months					4Q	9 months					4Q Estimated
	1Q	2Q	3Q		1Q		2Q	3Q				
US\$	104	108	97	103	94	101	97	94	90	93	90	93
Euro	163	162	128	151	124	145	133	133	133	133	125	131

- Sensitivity of Currency
(full year, ¥1 change)

Billions of Yen

	Operating income
US\$	0.6
Euro	0.5

- Number of Employees

	Dec. 2008	Mar. 2009	Jun. 2009	Sep. 2009	Dec. 2009
Consolidated Total	78,203	76,252	75,929	75,938	75,333

-605



We will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.

IR Office, Corporate Planning Div.
FUJIFILM Holdings Corporation