

Fiscal 2010/3 Performance Explanation Meeting Principal Questions and Answers

Q1: You mentioned that you now anticipate that the structural reforms will be concluded during fiscal 2011/3, but what do you think about the remaining reforms that have to be implemented?

A1: During fiscal 2011/3, we will be undertaking the global consolidation of remaining photo labs in the imaging solutions field and moving further forward with our already ongoing reorganization of R&D and manufacturing operations in the document solutions field. Going forward, we expect to continue implementing constant measures to eliminate waste in our operations, although such measures should not entail large-scale expenditures.

Q2: With respect to the total value of structural reform expenses, would it be accurate to say that the amount of expenses has increased somewhat compared with the original forecast, while the associated benefits have not increased?

A2: We anticipate that the total value of structural reform expenses will be ¥168.7 billion, up ¥8.7 billion from our original forecast. During fiscal 2010/3, the benefits of the reforms emerged more quickly than expected and amounted to approximately ¥38.0 billion. Looking at the cumulative benefits through fiscal 2012/3, we are anticipating annual benefits of roughly ¥90.0 billion, just as we originally forecast.

Q3: You are anticipating that cash dividends applicable to fiscal 2011/3 will total ¥30.00 per share, but in light of your 25% return to shareholders ratio target, would you be considering an increase to that figure if you were to have a performance upswing?

A3: In line with our performance trends, we are aiming to provide dividends and undertake purchases of Fujifilm shares that in combination keep our return to shareholders ratio at a level of 25% or higher.

End