

Financial Results (Consolidated) for the First Quarter ended June 30, 2005

1. Notes to Consolidated Financial Statements

- (1) Consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.
- Difference in Accounting Policies from the fiscal year ended March 31, 2005: N/A
- (2) Change in Scope of Consolidation and Equity Method: Applicable
- Consolidated Subsidiaries: 223 subsidiaries
 - Companies accounted for by equity method: 95 companies

2. Results of the First Quarter ended June 30, 2005 (From April 1, 2005 to June 30, 2005)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
1st Quarter ended June 30, 2005	625,181	2.2	31,192	(21.9)	32,530	(21.3)	15,958	(25.9)
1st Quarter ended June 30, 2004	611,771	0.3	39,916	(17.0)	41,322	(13.3)	21,542	(7.7)
(Ref.) Year ended March 31, 2005	2,527,374		164,442		162,346		84,500	

	Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)
	Yen	Yen
1st Quarter ended June 30, 2005	31.33	-
1st Quarter ended June 30, 2004	41.98	-
(Ref.) Year ended March 31, 2005	164.78	-

Notes 1. Average number of shares:

 First Quarter ended June 30, 2005: 509,298,730 First Quarter ended June 30, 2004: 513,174,195
 Year ended March 31, 2005: 512,801,030

2. Percent: Change against corresponding period of the previous year in Revenue, Operating Income, Income before Income Taxes, Net Income.

(2) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity per Share of Common Stock
			%	Yen
As of June 30, 2005	3,009,929	1,867,620	62.0	3,667.05
As of June 30, 2004	3,008,576	1,775,246	59.0	3,459.46
(Ref.) As of March 31, 2005	2,983,457	1,849,102	62.0	3,630.67

Note: Number of Shares Outstanding:

 As of June 30, 2005: 509,297,577 As of June 30, 2004: 513,157,515
 As of March 31, 2005: 509,299,992

(3) CASH FLOWS

	Net Cash provided by Operating activities	Net Cash used in Investing activities	Net Cash used in Financing activities	Cash and Cash Equivalents at end of period
1st Quarter ended June 30, 2005	83,167	(70,097)	(15,829)	286,715
1st Quarter ended June 30, 2004	81,770	(79,525)	(18,111)	446,407
(Ref.) Year ended March 31, 2005	219,361	(312,401)	(83,406)	288,157

3. Forecast for the Fiscal Year ending March 31, 2006 (From April 1, 2005 to March 31, 2006)

There are no revision to the financial result estimates for the current fiscal year announced on April 28, 2005

1. Operating Results

An Overview of Financial Results for the First Quarter ended June 30, 2005

During the first quarter of fiscal 2006 (April 1, 2005, through June 30, 2005), Fujifilm imaging solutions segment supplying color films, digital cameras, digital minilabs, and other products and services faced harsh operating environments, but robust sales of flat panel display materials and medical imaging products by information solutions segment, the contribution of newly consolidated subsidiaries in the information solutions segment, and higher sales of digital multifunction devices and office printers by document solutions segment in overseas markets, helped boost the Company's consolidated revenue to ¥625.2 billion, a rise of 2.2 % from the same period in the previous fiscal year. Domestic sales amounted to ¥316.0 billion, up 2.2%, while overseas revenue totaled ¥309.2 billion, up 2.2 %. The Company continued working to reduce the cost of sales and operating expenses through such measures as those to improve manufacturing efficiency, lower procurement costs, and tighten the strategic focus of expenditures. However, in addition to the severe operating environment of imaging solutions operations, profitability was negatively affected by such factors as surging main raw material costs, a rise in R&D expenses designed to create new business and strengthen product development capabilities, and expenses incurred in connection with various manufacturing system reforms and other structural reform and information process reform measures. As a result, operating income was restrained to ¥31.2 billion, down 21.9%. Income before income taxes decreased 21.3%, to ¥32.5 billion, and net income declined 25.9%, to ¥16.0 billion.

The effective exchange rates for the U.S. dollar and the euro against the yen during the period were ¥108 and ¥136, respectively.

Trends in net sales and business development for each business segment were as follows:

Imaging Solutions

Factors exerting a negative influence on imaging solutions revenues included reduced market demand for color films in the Domestic, North American, and European markets and the intensified competition accompanying the slackening of growth in digital camera markets, particularly in North America. Moreover, the recent widespread installation of minilabs by major clients caused a temporary weakening of new demand for minilabs, and sales of minilab products decreased. As a result of these and other factors, consolidated revenue in this segment amounted to ¥168.1 billion, down 14.1% from the same period in the previous fiscal year.

In this field, Fujifilm continues to provide high-value-added products and services, both digital and analog, that range from image inputting to image outputting, thus meeting customers' increasingly diverse and advanced needs. In response to the continued increase in digital camera ownership, Fujifilm has expanded the scale of its digital camera printing services, and it is further stepping up measures to strengthen color paper sales promotions and increase its share of the market. In Japan, Fujifilm proactively used TV commercials and other methods to promote its "Print at Retail" (the creation of digital camera prints at retail outlets). These and other efforts sustained a steady rise in the volume of digital camera prints, and the share of digital camera prints among all prints at retail outlets installed with Frontier series digital minilabs in Japan surpassed 30%. Overseas, Fujifilm's proactive measures to promote digital camera prints created at retail outlets maintained progress in the establishment of the Frontier minilabs infrastructure needed to expand the volume of such services, and the Company's sales of digital camera prints were firm, particularly in North America and Europe. Despite a temporary weakening of new demand for Frontier series digital minilabs, the Company continued working to promote minilab sales to new customers and further increase the convenience of its digital camera print services.

Regarding digital cameras, conditions continued to be particularly harsh in North American markets, where camera manufacturers are engaged in intense price competition. Amid these conditions, Fujifilm maintained robust sales of products newly marketed in Japan- the FinePix F10, a product launched in March 2005 that offers a maximum sensitivity of ISO 1600 and thereby enables attractive photos even under dim lighting conditions while reducing problems associated with camera shaking and movement by the subject, and the FinePix Z1, a product launched in May 2005 that has an ultrathin, fully flat body.

While the operating environment for color film business is expected to continue to be severe, the Company worked to develop new demand through the supply of products that make the most of the special advantages offered by silver-halide, light-sensitive materials. Regarding one-time-use recyclable cameras, sales were strong in North America, just as in the previous fiscal year. To stimulate demand in Japan, the Company undertook diverse sales promotion measures for the Night & Day model in the QuickSnap product line prior to the summer fireworks season.

Information Solutions

Sales decreases were posted for recording media products, particularly mid-range, server-use, data storage tape products. However, sales of flat panel display materials and of such medical imaging products as Fuji Computed Radiography (FCR) products rose smoothly, and additional contributions were made by such newly consolidated subsidiaries as FUJIFILM Electronic Materials U.S.A., Inc., which is expanding its business in semiconductor processing materials, and FUJIFILM Sericol UK Limited, which is handling operations involving such products as screen printing inks and industrial-use ink-jet inks. These factors boosted consolidated revenue in this segment, up 8.3% from the same period in the previous fiscal year, to ¥195.0 billion.

In flat panel display materials, the demand for mainstay FUJITAC and WV Film products continued to be strong. Fujifilm is responding to the rising demand by rapidly augmenting its manufacturing capacity for such materials. On April 1, 2005, Fujifilm established an additional manufacturing subsidiary, FUJIFILM Kyushu Co., Ltd., which will manufacture FUJITAC, and the Company is also quickly boosting the capacity of its existing production facilities. Moreover, Fujifilm recently acquired additional shares of Sanritz Corporation, a polarizer manufacturer, increasing its shareholding to approximately 30%. This increase is designed to strengthen Fujifilm's partnership with Sanritz and thereby help further accelerate the development of high-performance functional materials for use with LCD, while also boosting the Company's competitive strength in flat panel display materials operations.

With respect to the medical imaging field, sales of such medical imaging offerings as Fuji Computed Radiography (FCR) were strong. Regarding endoscope products, a smooth increase was recorded in sales of FUJINON's ultrasmall-diameter Transnasal Endoscope. Fujifilm is steadily strengthening its medical imaging product marketing capabilities in Japan and overseas through such measures as the augmentation of marketing staff and the establishment of additional marketing bases.

Regarding graphic arts systems, although the growing use of digital products worldwide has been reducing demand for graphic arts films, Fujifilm has achieved large increases in sales of its computer-to-plate (CTP) related products. In the Chinese market, which is projected to expand, Fujifilm established a PS(presensitized) plate/CTP plate manufacturing subsidiary, and a comprehensive joint marketing venture for printing system products in cooperation with the China Academy of Printing Technology to strengthen and expand its business promotion systems.

Regarding recording media, intensifying price competition continued to present challenges in the mid-range data storage tape market, but the volume of DVD media product sales surged considerably.

In the field of optical lens products in Office & Industry operations, growth in the market for camera phones enabled a steady rise in sales of megapixel lens units for such phones.

Document Solutions

Increases in sales of color and monochrome models of digital multifunction devices and laser printers, particularly export sales to North American and European markets, helped boost consolidated revenue in this segment to ¥262.1 billion, up 11.0% from the same period in the previous fiscal year.

Regarding office products business, the Company strengthened its domestic lineup of ApeosPort series, which are high-speed digital multifunction devices with additional functions that act as "portals" to open network office environments. These products enable companies to integrate their mission-critical digital data systems with their document systems for handling such paper-based information as contracts and receipts. Besides enabling companies to realize reductions in the time and cost of operational processes, ApeosPort series respond to the rise in companies' needs to strengthen document security and unify document administration following the implementation of the e-Document Act and Personal Information Protection Act, both issued in Japan. Robust growth was recorded in the sales volume of DocuCentre C6550 I/C5540 I models, the top products in the DocuCentre Color multifunction device line. While the general shift to full-color products has led to a trend of shrinking demand in monochrome multifunction device markets, the Company sustained robust sales volume of low- to medium-speed monochrome multifunction device models, with a particularly large rise recorded in the sales volume of low-speed monochrome models exported to North America and Europe.

With respect to office printer operations, growth in the OEM sales volume of reasonably priced color laser printers helped create a noteworthy surge in the volume of color laser printer exports to North America and Europe. The volume of OEM sales of medium-speed monochrome laser printers also increased, owing to high customer evaluation of the products' functionality and prices.

In production services business, the Company expanded its supply of computer printing systems and on-demand printing systems to the digital printing markets of China and other Asian countries. Moreover, the Xerox iGen3 Digital Production Press high-speed, high-quality full-color on-demand printing system line launched in the previous fiscal year was strengthened with the launch of the Xerox iGen3 110 Digital Production Press, which is the top product in that line.

In office services business, the Company steadily expanded its domestic document outsourcing business, such as document digitization services and comprehensive document outsourcing services that provide for the solution of all types of document flow problems. Moreover, CrossForce Co., Ltd., which was established as a joint venture with CAC Corporation in June 2005 to handle a comprehensive range of integrated services involving document management solutions and mission-critical operations solutions and thereby strengthen the Company's infrastructure for expanding the scale and scope of its office services business.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. Where any such forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, Fujifilm cautions that assumed facts or bases almost always vary from the actual results, and differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, Fujifilm or its management expresses an expectation or belief as to future results, there can be no guaranty or assurance that the statement of expectation or belief will result or be achieved or accomplished. The words "forecast," "project," "believe," "expect," "estimate," "anticipate," and similar expressions may identify forward-looking statements.

Taking into account the foregoing, the following are identified as important factors, risks or uncertainties that could cause the actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, Fujifilm: competitive factors, including without limitation, pricing, implementation of Fujifilm's product strategies, and economic trends in important markets worldwide.

Fujifilm assumes no obligation to update its forward-looking statements or to advise of any changes in the assumptions and factors on which they are based.

2. CONSOLIDATED BALANCE SHEETS

Amount Unit: Millions of yen

	As of June 30, 2005		As of March 31, 2005		Change	As of June 30, 2004	
	%		%			%	
ASSETS							
Current assets:							
Cash and cash equivalents		286,715		288,157	(1,442)		446,407
Marketable securities		68,977		65,729	3,248		44,723
Notes and accounts receivable		522,455		533,225	(10,770)		503,142
Inventories		397,510		371,365	26,145		356,799
Other current assets		119,865		114,792	5,073		112,047
Total current assets	46.3	1,395,522	46.0	1,373,268	22,254	48.6	1,463,118
Investments and long-term receivables	14.0	420,124	14.0	418,541	1,583	13.6	409,496
Property, plant and equipment	25.1	754,436	25.1	747,212	7,224	23.5	705,382
Other assets	14.6	439,847	14.9	444,436	(4,589)	14.3	430,580
Total Assets	100.0	3,009,929	100.0	2,983,457	26,472	100.0	3,008,576
LIABILITIES							
Current liabilities:							
Short-term debt		125,683		123,592	2,091		134,689
Notes and accounts payable		336,125		332,141	3,984		301,752
Other current liabilities		285,500		278,367	7,133		273,496
Total current liabilities	24.8	747,308	24.6	734,100	13,208	23.6	709,937
Long-term liabilities:							
Long-term debt		95,637		96,040	(403)		118,658
Accrued pension and severance costs		101,364		105,084	(3,720)		217,118
Other long-term liabilities		81,900		83,165	(1,265)		86,319
Total long-term liabilities	9.3	278,901	9.5	284,289	(5,388)	14.0	422,095
Minority interests in subsidiaries	3.9	116,100	3.9	115,966	134	3.4	101,298
SHAREHOLDERS' EQUITY							
Common stock, without par value:							
Authorized: 800,000,000 shares							
Issued: 514,625,728 shares		40,363		40,363	-		40,363
Additional paid-in capital		68,135		68,135	-		68,135
Retained earnings		1,810,343		1,794,385	15,958		1,744,233
Accumulated other comprehensive income (loss)		(30,956)		(33,525)	2,569		(72,181)
Treasury stock, at cost		(20,265)		(20,256)	(9)		(5,304)
Total shareholders' equity	62.0	1,867,620	62.0	1,849,102	18,518	59.0	1,775,246
Total Liabilities and Shareholders' Equity	100.0	3,009,929	100.0	2,983,457	26,472	100.0	3,008,576

3. CONSOLIDATED STATEMENTS OF INCOME

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Revenue:						
Sales		532,679		521,263	11,416	2.2
Rentals		92,502		90,508	1,994	2.2
	100.0	625,181	100.0	611,771	13,410	2.2
Cost of sales:						
Sales		332,497		318,392	14,105	4.4
Rentals		38,118		35,964	2,154	6.0
	59.3	370,615	57.9	354,356	16,259	4.6
Gross profit	40.7	254,566	42.1	257,415	(2,849)	(1.1)
Operating expenses:						
Selling, general and administrative	28.8	179,940	28.8	176,360	3,580	2.0
Research and development	6.9	43,434	6.8	41,139	2,295	5.6
	35.7	223,374	35.6	217,499	5,875	2.7
Operating income	5.0	31,192	6.5	39,916	(8,724)	(21.9)
Other income (expenses):						
Interest and dividend income		2,104		1,522	582	
Interest expense		(833)		(991)	158	
Foreign Exchange gains (losses), net		1,673		507	1,166	
Other, net		(1,606)		368	(1,974)	
	0.2	1,338	0.3	1,406	(68)	(4.8)
Income before income taxes	5.2	32,530	6.8	41,322	(8,792)	(21.3)
Income taxes	2.3	14,742	2.6	15,909	(1,167)	(7.3)
Income before minority interests and equity in net earnings of affiliated companies	2.9	17,788	4.2	25,413	(7,625)	(30.0)
Minority interests	(0.4)	(2,673)	(0.6)	(3,084)	411	13.3
Equity in net earnings(losses) of affiliated companies	0.1	843	(0.1)	(787)	1,630	-
Net income	2.6	15,958	3.5	21,542	(5,584)	(25.9)

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005	Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004
Operating activities		
Net income	15,958	21,542
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	50,219	40,957
Minority interests	2,673	3,084
Equity in net earnings(losses) of affiliated companies, less dividends received	(685)	930
Changes in operating assets and liabilities:		
Notes and accounts receivable	20,015	32,620
Inventories	(19,718)	(2,196)
Notes and accounts payable - trade	985	(27,475)
Accrued income taxes and other liabilities	7,249	12,772
Other	6,471	(464)
Subtotal	67,209	60,228
Net cash provided by operating activities	83,167	81,770
Investing activities		
Purchases of property, plant and equipment	(39,429)	(38,954)
Purchases of software	(4,819)	(5,235)
Proceeds from sales and maturities of marketable and investment securities	11,002	1,320
Purchases of marketable and investment securities	(17,296)	(25,805)
Increase in investments in and advances to affiliated companies	(3,334)	(109)
Acquisitions of businesses and minority interests, net of cash acquired	(1,461)	(5,476)
Other	(14,760)	(5,266)
Net cash used in investing activities	(70,097)	(79,525)
Financing activities		
Proceeds from long-term debt	259	1,859
Repayments of long-term debt	(800)	(4,241)
Decrease in short-term debt, net	(6,219)	(6,253)
Cash dividends paid	(6,367)	(6,416)
Cash dividends paid to minority interests	(2,693)	(2,942)
Purchases of stock for treasury, net	(9)	(118)
Net cash used in financing activities	(15,829)	(18,111)
Effect of exchange rate changes on cash and cash equivalents	1,317	509
Net decrease in cash and cash equivalents	(1,442)	(15,357)
Cash and cash equivalents at beginning of period	288,157	461,764
Cash and cash equivalents at end of period	286,715	446,407

5. DETAILS OF CONSOLIDATED REVENUE

(1) Revenue by product

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions	26.9%	168,122	32.0%	195,695	(27,573)	(14.1)
Information Solutions	31.2%	194,928	29.4%	179,912	15,016	8.3
Document Solutions	41.9%	262,131	38.6%	236,164	25,967	11.0
Consolidated total	100.0%	625,181	100.0%	611,771	13,410	2.2

Note: Major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals, and services for photofinishing
Information Solutions	System devices for graphic arts, medical imaging, and information systems, flat panel display materials, and recording media
Document Solutions	Office copiers/MFPs, printers, production systems and services, paper, consumables, and office services

(2) Domestic and overseas revenue

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Revenue:						
Domestic	50.5%	315,983	50.5%	309,132	6,851	2.2
Overseas						
The Americas	20.8%	129,964	21.8%	133,239	(3,275)	(2.5)
Europe	14.6%	91,074	14.2%	86,898	4,176	4.8
Asia and others	14.1%	88,160	13.5%	82,502	5,658	6.9
Subtotal	49.5%	309,198	49.5%	302,639	6,559	2.2
Consolidated total	100.0%	625,181	100.0%	611,771	13,410	2.2

6. SEGMENT INFORMATION

(1) Operating segments

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	26.9%	168,122	32.0%	195,695	(27,573)	(14.1)
Intersegment		165		40	125	-
Total		168,287		195,735	(27,448)	(14.0)
Information Solutions:						
External customers	31.2%	194,928	29.4%	179,912	15,016	8.3
Intersegment		837		1,067	(230)	-
Total		195,765		180,979	14,786	8.2
Document Solutions:						
External customers	41.9%	262,131	38.6%	236,164	25,967	11.0
Intersegment		2,522		3,063	(541)	-
Total		264,653		239,227	25,426	10.6
Eliminations		(3,524)		(4,170)	646	-
Consolidated total	100.0%	625,181	100.0%	611,771	13,410	2.2

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Operating Income:						
Imaging Solutions	0.2%	352	4.3%	8,337	(7,985)	(95.8)
Information Solutions	7.8%	15,174	11.1%	20,041	(4,867)	(24.3)
Document Solutions	5.9%	15,683	4.8%	11,554	4,129	35.7
Total		31,209		39,932	(8,723)	(21.8)
Eliminations		(17)		(16)	(1)	-
Consolidated total	5.0%	31,192	6.5%	39,916	(8,724)	(21.9)

Note: Major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals, and services for photofinishing
Information Solutions	System devices for graphic arts, medical imaging, and information systems, flat panel display materials, and recording media
Document Solutions	Office copiers/MFPs, printers, production systems and services, paper consumables, and office services

(2) Geographic Segments

Three months ended June 30, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Revenue:						
Japan						
External customers	62.3%	389,735	62.5%	382,479	7,256	1.9
Intersegment		85,390		74,021	11,369	-
Total		475,125		456,500	18,625	4.1
The Americas						
External customers	17.4%	108,823	18.6%	113,943	(5,120)	(4.5)
Intersegment		6,168		2,547	3,621	-
Total		114,991		116,490	(1,499)	(1.3)
Europe						
External customers	11.8%	73,565	11.1%	67,978	5,587	8.2
Intersegment		3,592		2,581	1,011	-
Total		77,157		70,559	6,598	9.4
Asia and others						
External customers	8.5%	53,058	7.8%	47,371	5,687	12.0
Intersegment		54,041		21,245	32,796	-
Total		107,099		68,616	38,483	56.1
Eliminations		(149,191)		(100,394)	(48,797)	-
Consolidated total	100.0%	625,181	100.0%	611,771	13,410	2.2

Amount Unit: Millions of yen

	Three months ended June 30, 2005 From April 1, 2005 To June 30, 2005		Three months ended June 30, 2004 From April 1, 2004 To June 30, 2004		Change	
					Amount	%
Operating Income:						
Japan	5.1%	24,022	5.9%	27,145	(3,123)	(11.5)
The Americas	0.5%	626	3.5%	4,077	(3,451)	(84.6)
Europe	0.6%	466	5.1%	3,575	(3,109)	(87.0)
Asia and others	4.2%	4,532	4.7%	3,259	1,273	39.1
Eliminations	-	1,546	-	1,860	(314)	-
Consolidated total	5.0%	31,192	6.5%	39,916	(8,724)	(21.9)