

Financial Results (Consolidated) for the Nine months ended December 31, 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: 224 subsidiaries
 - Companies accounted for by equity method: 94 companies

2. Results of the Nine months ended December 31, 2005 (From April 1, 2005 to December 31, 2005)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
Nine months ended Dec. 31, 2005	1,985,305	4.9	101,664	(29.8)	109,906	(23.6)	60,225	(18.1)
Nine months ended Dec. 31, 2004	1,892,953	(0.5)	144,852	(1.2)	143,944	7.8	73,493	2.8
(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
Nine months ended Dec. 31, 2005	118.25	-
Nine months ended Dec. 31, 2004	143.22	-
(Ref.) Year ended March 31, 2005	164.78	-

Notes 1. Average number of shares:

Nine months ended Dec. 31, 2005: 509,293,728

Nine months ended Dec. 31, 2004: 513,142,738

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 Dec. 31, 2005	3,069,458	1,958,258	63.8	3,845.11
As of Dec. 31, 2004	2,970,893	1,844,245	62.1	3,593.87
(Ref.) As of March 31, 2005	2,983,457	1,849,102	62.0	3,630.67

Note: Number of Shares Outstanding:

As of Dec. 31, 2005: 509,284,842

As of Dec. 31, 2004: 513,163,881

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
Nine months ended Dec. 31, 2005	158,571	(170,203)	(28,047)	257,877
Nine months ended Dec. 31, 2004	136,500	(221,337)	(44,456)	334,105
(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)

	Revenue	Operating Income	Income before Income Taxes	Net Income
For year ending March 31, 2006	2,650,000	75,000	73,000	20,000

(reference) Expected Net Income Per Share of Common Stock for Year ending March 31, 2006: ¥ 39.27

Note: These forecast are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements. See note on page 7.

Financial Results (Consolidated) for the Third Quarter ended December 31, 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: 224 subsidiaries

· Companies accounted for by equity method: 94 companies

2. Results of the Third Quarter ended December 31, 2005 (From October 1, 2005 to December 31, 2005)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
Three months ended Dec. 31, 2005	681,725	6.5	41,650	(4.4)	46,350	21.9	27,111	30.4
Three months ended Dec. 31, 2004	640,028	(0.4)	43,550	(17.7)	38,009	(27.5)	20,787	(31.6)
(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
Three months ended Dec. 31, 2005	53.23	-
Three months ended Dec. 31, 2004	40.51	-
(Ref.) Year ended March 31, 2005	164.78	-

Notes 1. Average number of shares:

Three months ended Dec. 31, 2005: 509,288,400

Three months ended Dec. 31, 2004: 513,121,840

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 Dec. 31, 2005	3,069,458	1,958,258	63.8	3,845.11
As of Dec. 31, 2004	2,970,893	1,844,245	62.1	3,593.87
(Ref.) As of March 31, 2005	2,983,457	1,849,102	62.0	3,630.67

Note: Number of Shares Outstanding:

As of Dec. 31, 2005: 509,284,842

As of Dec. 31, 2004: 513,163,881

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
Three months ended Dec. 31, 2005	50,969	(69,377)	7,436	257,877
Three months ended Dec. 31, 2004	11,178	(77,896)	(1,903)	334,105
(Ref.) Year ended March 31, 2005	219,361	(312,401)	(83,406)	288,157

1. Operating Results

(1) An overview of consolidated operating results for the nine months ended December 31, 2005

Consolidated revenue rose 4.9%, to ¥1,985.3 billion, during the period under review (April 1, 2005, through December 31, 2005) in comparison with the same period of the previous fiscal year. Although sales of the imaging solutions business declined, owing mainly to lower revenues from color films and digital minilabs, sales of flat panel display materials posted a major increase because of continued strong demand. Other factors similarly supporting growth in sales were expansion in supply volume for digital color multifunction devices and office printers, especially low-priced models, contributions from newly acquired companies that were included within the scope of consolidation in the previous fiscal year, and the positive effect of the depreciation of the yen against the U.S. dollar and the euro. Domestic sales expanded 1.3%, to ¥976.3 billion, and overseas sales posted a gain of 8.6%, to ¥1,009.0 billion. Regarding profits, a major factor having a significant impact on the year-on-year comparison of profitability was Fuji Xerox's recording of a one-time gain on the transfer of the substitutional portion of its employee pension fund liabilities in the previous fiscal year. Despite the Company's efforts to reduce costs at manufacturing, procurement, and other stages, a number of factors acted to push expenses upward. These included cost increases due to rises in principal raw material prices, higher R&D spending to create new products and businesses, start-up costs related to the Fuji Xerox's introduction of new core information systems, general expenses associated with strengthening overseas sales capabilities in document solutions, and expenditures accompanying proactive measures to reorganize manufacturing systems for imaging solutions operations centered on photosensitive materials operations and digital imaging operations. These increases in selling, general and administrative as well as other costs resulted in a decline in operating income of 29.8%, to ¥101.7 billion. Income before income taxes fell 23.6%, to ¥109.9 billion, and net income was down 18.1%, to ¥60.2 billion.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the period under review were ¥112 and ¥137, respectively.

(2) An overview of consolidated operating results for the third quarter ended December 31, 2005.

Consolidated revenue during the third quarter of the Company's fiscal year (October 1, 2005, to December 31, 2005) amounted to ¥681.7 billion, up 6.5% from the same period of the previous fiscal year. Although sales of color films and digital minilabs declined as a result of weakening demand, sales of flat panel display materials showed a substantial increase along with expansion in the production capacity for these materials. Other developments supporting growth in sales were the expansion in the supply volume for digital multifunction devices and office printers, especially low-priced models, contributions from newly acquired companies that were included within the scope of consolidation in the previous fiscal year, and the positive impact of the depreciation of the yen against the U.S. dollar. Domestic sales were up 1.3% year on year, to ¥330.1 billion, and overseas sales increased 11.9%, to ¥351.6 billion. Regarding operating income, although the Company adopted measures to cut costs by improving manufacturing efficiency, lowering procurement costs, and more tightly focusing spending in strategic areas, overall costs, including selling, general and administrative expenses, increased because of the higher prices of principal raw materials, more spending on R&D to develop new products and businesses, start-up costs related to the Fuji Xerox's introduction of new core information systems, and general expenses associated with strengthening overseas sales capabilities in document solutions. As a consequence, operating income declined 4.4%, to ¥41.7 billion. However, foreign exchange gains on settlement and translation of foreign currency-denominated receivables and payables were recognized in this quarter, while foreign exchange losses were recognized in the same quarter of the previous fiscal year. As a result, income before income taxes and net income increased 21.9% to ¥46.4 billion and 30.4% to ¥27.1 billion, respectively.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the quarter under review were ¥117 and ¥139, respectively.

Imaging Solutions

Consolidated revenue in this segment during the third quarter amounted to ¥194.8 billion, down 5.2% from the same period of the previous fiscal year. Factors such as declines in sales of color films and digital minilabs due to weaker demand exerted a negative influence, although sales of digital cameras expanded principally high-sensitivity models.

In the imaging field, Fujifilm offers high-value-added products and services, both digital and analog, from image input to output, that meet the increasingly diverse and advanced needs of its customers. Particularly, in the field of digital camera prints, Fujifilm has positioned expanding print volume as a key issue and is proactively taking diverse measures to further expand its business in this field. Specifically, Fujifilm is aggressively employing TV commercials to increase the awareness of digital camera prints and their special features. In addition, to further enhance the convenience of “Print at Retail” digital image printing services, Fujifilm has worked to expand the installation of digital minilab Frontier series. Although sales of Frontier minilabs are declining, affected by the weaker demand for new installations, Fujifilm is endeavoring to expand the infrastructure for digital image printing by promoting the sale of in-store self-printing systems that can be installed at low cost along with sales of minilabs. In part, as a result of these initiatives, sales of digital camera prints are showing continued strong expansion. Regarding digital cameras, sales have remained robust in Japan as a result of the introduction of the FinePix F11 and FinePix Z2 in this third quarter. These are follow-up models to the hit products of spring 2005: the FinePix F10, which boasts a maximum sensitivity of ISO 1600 and enables the capturing of attractive photos even in dim lighting conditions while reducing problems associated with camera shaking and movement of photographed objectives, and the FinePix Z1, which features an ultra-thin, fully flat body. Overseas, also, as a result of the increasing awareness of the advantages of high sensitivity, sales of the FinePix F10 and FinePix F11 are expanding, principally in Asia and Europe. However, conditions in the digital camera business continue harsh because of the progressive maturing of the markets and intense price competition. In response, the Company is implementing reforms to improve competitiveness, through shifting the manufacturing function to China and making improvements in supply chain management. In the color film business, there have been some improvements, including strong sales of QuickSnap one-time-use recyclable cameras to mass retailers in the North American market, but overall sales are declining along with the weakening in demand.

Information Solutions

Consolidated revenue during the third quarter in this segment rose 18.2% from the same period of the previous year, to ¥221.8 billion. This strong performance was due to a number of factors, including major increases in sales of flat panel materials stemming from rapid growth in this area, expansion in the medical diagnostic product field and endoscopes as well as steady growth in computer-to-plate (CTP) systems, owing to robust growth in demand. Other factors were contributions to consolidated revenue from newly consolidated subsidiaries FUJIFILM Electronic Materials U.S.A., Inc., which conducts business in the semiconductor-related process materials field, and FUJIFILM Sericol UK Limited, which is responsible for the ink production and related businesses, including inks for screen printing and industrial inkjet printing.

In flat panel display materials, sales of mainstay FUJITAC and WV Film products showed substantial expansion along with robust conditions in the liquid crystal display market. To respond to the strong need for these products, the Company is working to expand its production capacity, and a new production facility for FUJITAC went into operation in December 2005. Fujifilm plans to continue to increase its production capacity and is accelerating the expansion of its flat panel display materials business.

Regarding the medical imaging business, in the medical diagnostic product field, the general trend to digital equipment supported strong sales of equipment and materials, including Fuji Computed Radiography (FCR), dry imagers, and dry films.

In the endoscope product field, overall sales expanded, as a result of the September 2005 launch of a new product that incorporates Fujifilm’s Super CCD and unique image-processing technology, which together provide ultra-clear and high-resolution images, to the existing Transnasal Endoscope product lineup.

In the field of graphic arts systems, while the demand for graphic arts films has been declining along with the worldwide trend to using CTP systems, sales of CTP system related products have been expanding substantially. Since strong demand has been forecast for CTP plate products, as their usage has been increasing in the European, North American, and Japanese markets and is expected to grow in the Asian markets, the Company is currently expanding its CTP plate production capacity.

Regarding recording media, despite difficult conditions in the DVD media field, where price competition continues to be intense, sales overall are increasing steadily because of the contribution of high demand for the Company's mainstay mid-range data storage tape, LTO Ultrium 3. In addition, in the high-end enterprise data storage media field, sales of data cartridges for the IBM's Enterprise Tape Drive 3592 achieved steady growth.

Within the office & industry business, in the optical lens product area, sales of megapixel lens units are rising steadily, buoyed by growth in demand for more sophisticated camera phones.

*LTO and Ultrium are registered trademarks of Hewlett Packard, Inc. and IBM, in the United States and other countries.

Document Solutions

Increases in sales of color models of digital multifunction devices and laser printers, particularly export sales to North American and European markets, contributed to an increase in consolidated revenue during the third quarter in this segment, to ¥265.1 billion, up 7.3% from the same period of the previous fiscal year.

In the office product business, the Company is strengthening its domestic lineup of ApeosPort series products that responds to the requirements for better document security and integrated document management, following the implementation of the e-Document Act and Personal Information Protection Act. For example, in addition to the DocuCentre C7550 I, the top product in the DocuCentre Color multifunction device line, the Company has introduced the ApeosPort C7550 I, which has advanced network functions. In addition, exports of full-color, high-speed products and monochrome, low-speed products to North America and Europe expanded substantially in volume terms over the same period from the previous year.

Regarding office printer operations, the volume of color printer exports to North America and Europe surged, driven especially by the OEM sales volume of low-priced laser printers. In addition, in China and other Asia Pacific region, sales of low-priced units showed robust expansion. Moreover, in the office product and office printer businesses, sales of color products are on an upward trend. Accordingly, going forward, the Company plans to equip all newly introduced copiers and multifunction devices as well as office printers with emulsion aggregation (EA) toner. With these plans in mind, the Company completed and put into operation a new facility for the production of EA toner to meet the expected growth in demand. As a result, the Company's production capacity of EA toner is now twice the level of the previous fiscal year.

In the production services business, in Asia-Pacific region, including China, sales of on-demand printing systems for the digital printing market, such as computer printing systems and the Xerox iGen3 110 Digital Production Press, expanded. In Japan, the Company has strengthened its line-up of related equipment, including the DocuColor 7000 Digital Press, a full-color digital printing system, for professional users in the digital printing market.

In the office services business, the document outsourcing business is continuing to expand in Japan. Moreover, sales of "beat," a secure network outsourcing service for medium-sized and small businesses, have expanded, and the Company has introduced its "beat branch service," an Internet-based virtual private network (VPN) service for small businesses, which supports the centralized management of networks with multiple bases and features low-cost operation.

Along with the initiatives by business segment as described, in line with Fujifilm's VISION75 medium-term management plan, the Company is implementing measures to strengthen the management base of the Fujifilm Group.

In accord with the Fujifilm's goal of "Building New Growth Strategies" and to strengthen its fine chemical operations, the Company newly established the Fine Chemicals Business Division at its Kanagawa Factory in June 2005. Moreover, to strengthen these activities further, the Company made Sankio Chemical Co., Ltd., formerly an affiliate in the chemical manufacturing area, a wholly owned subsidiary on January 1, 2006, and renamed this company FUJIFILM FINECHEMICALS CO., LTD. By repositioning this company as a 100%-owned subsidiary, the Company will now be in a position to realign and improve the efficiency of its chemical development activities and related production systems. In addition, the Company will be able to make use of its know-how in the development and manufacturing of pharmaceutical materials in the life science business and move forward with the effective use of the its manufacturing facilities in China.

In the field of semiconductor materials, the Company acquired a 50% equity share of Planar Solutions, LLC, owned by Arch Chemicals, Inc., through the Company's subsidiary FUJIFILM Electronic Materials U.S.A., Inc. Planar develops and manufactures semiconductor Chemical Mechanical Planarization(CMP) slurry materials. By drawing on the strong product development and manufacturing capabilities of Planar Solutions, the Group will be able to expand its business domain to include CMP slurry materials, an area for which major growth is forecast in future.

In addition, Fujifilm made the decision to purchase Avecia Inkjet Limited, the leading manufacturer of dyes and inks for inkjet printers, and signed an acquisition contract for the deal. Integrating this company, which not only manufactures ink materials but also develops and markets them worldwide, into the Group as a wholly owned subsidiary will boost the Group's capabilities in this field. The Group will therefore be positioned to expand its position in supplying these materials, which are forecast to show steady growth going forward as demand for these printers expands along with the rise in ownership of printers for household use.

(3) Outlook for the full fiscal year

In line with the fundamental strategies in Fujifilm's VISION75 medium-term management plan, Fujifilm has implemented comprehensive structural reforms centered on manufacturing, marketing, distribution and reorganization of film-processing laboratory systems in imaging solutions business. However, an unfavorable market situation is projected to continue and further negative impact on profit is expected. Looking ahead at further changes in the market environment, Fujifilm has decided to implement measures, which will reform the whole of current structure including R&D, production and distribution. The Company decided to implement the reforms intensively over a one-year period, spanning the second half of the fiscal year ending March 2006 and the first half of the fiscal year ending March 2007. To accomplish these structural reforms, Fujifilm will appropriate non-recurring expense of a total of 165.0 billion yen in the current and next fiscal year. As 80.0 billion yen out of 165.0 billion yen will be appropriated in the current fiscal year, the Company is revising its estimated performance projection downward for the current fiscal year. The structural reforms include the reduction of approximately 5,000 people from the Imaging Solutions segment.

The implementing of the structural reforms is expected to significantly reduce fixed costs in future and thereby let Fujifilm secure stable revenue for imaging solutions business. At the same time, Fujifilm will continue to boost investment in R&D and M&A transactions centered around medical/life-science, document, graphic arts, highly functional materials including flat panel display materials, semiconductor materials and inkjet ink materials and optical devices. Through these measures, Fujifilm Group will move forward concertedly to realize further growth.

1. Forecast for the consolidated operating results for the fiscal year ending March 2006

(Millions of yen)

	Revenue	Operating Income	Income before Income Taxes	Net Income
Previous forecast*(A)	2,700,000	170,000	164,000	85,000
Revised forecast (B)	2,650,000	75,000	73,000	20,000
Net (B-A)	(50,000)	(95,000)	(91,000)	(65,000)
Percentage (%)	(1.9)	(55.9)	(55.5)	(76.5)
Results for the fiscal year ended March 2005	2,527,374	164,442	162,346	84,500

2. Forecast for the non-consolidated operating results for the fiscal year ending March 2006

(Millions of yen)

	Revenue	Operating Income	Ordinary Income	Net Income
Previous forecast*(A)	760,000	45,000	61,000	42,000
Revised forecast (B)	740,000	46,000	65,000	32,000
Net (B-A)	(20,000)	1,000	4,000	(10,000)
Percentage (%)	(2.6)	2.2	6.6	(23.8)
Results for the fiscal year ended March 2005	761,688	52,690	79,686	54,681

(note) Previous forecasts were announced on October 31, 2005.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. Where any such forward-looking statement include 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 of bases and actual results can be material, depending on the circumstances. Where, in any forward-looking statement, FUJIFILM or its management expresses an 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 trend 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 Dec. 31, 2005		As of Sept. 30, 2005		Change	As of Mar. 31, 2005	
	%		%			%	
ASSETS							
Current assets:							
Cash and cash equivalents		257,877		264,172	(6,295)		288,157
Marketable securities		54,256		51,008	3,248		65,729
Notes and accounts receivable		570,933		550,349	20,584		533,225
Inventories		389,028		384,380	4,648		371,365
Other current assets		127,305		119,171	8,134		114,792
Total current assets	45.6	1,399,399	45.5	1,369,080	30,319	46.0	1,373,268
Investments and long-term receivables	15.2	467,402	14.3	431,000	36,402	14.0	418,541
Property, plant and equipment	25.1	769,644	25.6	768,445	1,199	25.1	747,212
Other assets	14.1	433,013	14.6	437,756	(4,743)	14.9	444,436
Total Assets	100.0	3,069,458	100.0	3,006,281	63,177	100.0	2,983,457
LIABILITIES							
Current liabilities:							
Short-term debt		145,463		125,824	19,639		123,592
Notes and accounts payable		316,367		334,082	(17,715)		332,141
Other current liabilities		270,099		272,272	(2,173)		278,367
Total current liabilities	23.8	731,929	24.4	732,178	(249)	24.6	734,100
Long-term liabilities:							
Long-term debt		75,557		76,356	(799)		96,040
Accrued pension and severance costs		93,495		94,744	(1,249)		105,084
Other long-term liabilities		97,792		90,692	7,100		83,165
Total long-term liabilities	8.7	266,844	8.7	261,792	5,052	9.5	284,289
Minority interests in subsidiaries	3.7	112,427	3.7	111,082	1,345	3.9	115,966
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		68,353		68,135	218		68,135
Retained earnings		1,848,243		1,821,132	27,111		1,794,385
Accumulated other comprehensive income(loss)		21,611		(8,113)	29,724		(33,525)
Treasury stock, at cost		(20,312)		(20,288)	(24)		(20,256)
Total shareholders' equity	63.8	1,958,258	63.2	1,901,229	57,029	62.0	1,849,102
Total Liabilities and Shareholders' Equity	100.0	3,069,458	100.0	3,006,281	63,177	100.0	2,983,457

3. CONSOLIDATED STATEMENTS OF INCOME

Three months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct. 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct. 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Sales		589,885		551,997	37,888	6.9
Rentals		91,840		88,031	3,809	4.3
	100.0	681,725	100.0	640,028	41,697	6.5
Cost of sales:						
Sales		368,477		342,306	26,171	7.6
Rentals		38,228		36,218	2,010	5.5
	59.7	406,705	59.1	378,524	28,181	7.4
Gross profit	40.3	275,020	40.9	261,504	13,516	5.2
Operating expenses:						
Selling, general and administrative	27.6	188,397	27.8	177,821	10,576	5.9
Research and development	6.6	44,973	6.3	40,133	4,840	12.1
	34.2	233,370	34.1	217,954	15,416	7.1
Operating income	6.1	41,650	6.8	43,550	(1,900)	(4.4)
Other income (expenses):						
Interest and dividend income		2,308		1,625	683	
Interest expense		(998)		(921)	(77)	
Foreign exchange gains (losses), net		2,880		(5,386)	8,266	
Other, net		510		(859)	1,369	
	0.7	4,700	(0.9)	(5,541)	10,241	-
Income before income taxes	6.8	46,350	5.9	38,009	8,341	21.9
Income taxes	2.5	17,374	2.1	13,387	3,987	29.8
Income before minority interests and equity in net earnings of affiliated companies	4.3	28,976	3.8	24,622	4,354	17.7
Minority interests	(0.4)	(2,788)	(0.5)	(3,384)	596	17.6
Equity in net earnings(losses) of affiliated companies	0.1	923	(0.1)	(451)	1,374	-
Net income	4.0	27,111	3.2	20,787	6,324	30.4

Nine months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:	%		%			
Sales		1,711,757		1,628,368	83,389	5.1
Rentals		273,548		264,585	8,963	3.4
	100.0	1,985,305	100.0	1,892,953	92,352	4.9
Cost of sales:						
Sales		1,077,550		1,010,055	67,495	6.7
Rentals		114,073		107,696	6,377	5.9
	60.0	1,191,623	59.0	1,117,751	73,872	6.6
Gross profit	40.0	793,682	41.0	775,202	18,480	2.4
Operating expenses:						
Selling, general and administrative	28.0	554,721	31.0	586,986	(32,265)	(5.5)
Research and development	6.9	137,297	6.7	126,493	10,804	8.5
Subsidy related to transfer of substitutional portion of employee pension fund liabilities		-	(4.4)	(83,129)	83,129	-
	34.9	692,018	33.3	630,350	61,668	9.8
Operating income	5.1	101,664	7.7	144,852	(43,188)	(29.8)
Other income (expenses):						
Interest and dividend income		6,216		4,390	1,826	
Interest expense		(3,086)		(3,001)	(85)	
Foreign exchange gains (losses), net		6,946		(1,810)	8,756	
Other, net		(1,834)		(487)	(1,347)	
	0.4	8,242	(0.1)	(908)	9,150	-
Income before income taxes	5.5	109,906	7.6	143,944	(34,038)	(23.6)
Income taxes	2.2	44,782	3.0	56,093	(11,311)	(20.2)
Income before minority interests and equity in net earnings of affiliated companies	3.3	65,124	4.6	87,851	(22,727)	(25.9)
Minority interests	(0.5)	(8,561)	(0.7)	(14,298)	5,737	40.1
Equity in net earnings(losses) of affiliated companies	0.2	3,662	0.0	(60)	3,722	-
Net income	3.0	60,225	3.9	73,493	(13,268)	(18.1)

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

Three months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From October 1, 2005 To December 31, 2005	Three months ended Dec. 31, 2004 From October 1, 2004 To December 31, 2004
Operatings activities		
Net income	27,111	20,787
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	52,120	46,531
Minority interests	2,788	3,384
Equity in net (earnings) losses of affiliated companies, less dividends received	(890)	524
Changes in operating assets and liabilities:		
Notes and accounts receivable	(12,835)	(23,107)
Inventories	1,440	(1,015)
Notes and accounts payable - trade	(11,599)	(3,381)
Accrued income taxes and other liabilities	(3,882)	(22,588)
Other	(3,284)	(9,957)
Subtotal	23,858	(9,609)
Net cash provided by operating activities	50,969	11,178
Investing activities		
Purchases of property, plant and equipment	(44,560)	(35,127)
Purchases of software	(2,860)	(5,269)
Proceeds from sales and maturities of marketable and investment securities	12,626	15,163
Purchases of marketable and investment securities	(26,839)	(18,144)
(Increase) decrease in investments in and advances to affiliated companies	(316)	672
Acquisitions of businesses and minority interests, net of cash acquired	-	(25,257)
Other	(7,428)	(9,934)
Net cash used in investing activities	(69,377)	(77,896)
Financing activities		
Proceeds from long-term debt	58	64
Repayments of long-term debt	(1,089)	(4,745)
Increase in short-term debt, net	16,875	13,085
Cash dividends paid	(6,367)	(6,415)
Cash dividends paid to minority shareholders	(2,017)	(3,852)
Purchases of stock for treasury, net	(24)	(40)
Net cash used in financing activities	7,436	(1,903)
Effect of exchange rate changes on cash and cash equivalents	4,677	(1,839)
Net decrease in cash and cash equivalents	(6,295)	(70,460)
Cash and cash equivalents at beginning of period	264,172	404,565
Cash and cash equivalents at end of period	257,877	334,105

Nine months ended December 31, 2005 and 2004, and Year ended March 31, 2005.

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec.31, 2005	Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec.31, 2004	Year ended March 31, 2005 From April 1, 2004 To March 31, 2005
Operating activities			
Net income	60,225	73,493	84,500
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	156,704	131,673	182,286
Minority interests	8,561	14,298	18,103
Equity in net (earnings) losses of affiliated companies, less dividends received	(2,364)	2,169	(2,031)
Subsidy related to transfer of substitutional portion of employee pension fund liabilities	-	(83,129)	(83,129)
Changes in operating assets and liabilities:			
Notes and accounts receivable	(17,828)	5,545	19,593
Inventories	(1,686)	(16,692)	(5,964)
Notes and accounts payable - trade	(23,320)	(20,089)	(23,320)
Accrued income taxes and other liabilities	(23,517)	26,019	20,869
Other	1,796	3,213	8,454
Subtotal	98,346	63,007	134,861
Net cash provided by operating activities	158,571	136,500	219,361
Investing activities			
Purchases of property, plant and equipment	(129,529)	(113,495)	(150,915)
Purchases of software	(12,186)	(17,819)	(33,050)
Proceeds from sales and maturities of marketable and investment securities	62,306	27,974	40,733
Purchases of marketable and investment securities	(52,113)	(62,289)	(85,287)
Increase in investments in and advances to affiliated companies	(5,099)	(2,026)	(1,156)
Acquisitions of businesses and minority interests, net of cash acquired	(10,417)	(32,933)	(58,010)
Other	(23,165)	(20,749)	(24,716)
Net cash used in investing activities	(170,203)	(221,337)	(312,401)
Financing activities			
Proceeds from long-term debt	827	1,940	1,940
Repayments of long-term debt	(7,073)	(12,599)	(19,085)
Decrease in short-term debt, net	(4,301)	(13,588)	(31,042)
Cash dividends paid	(12,734)	(12,831)	(12,831)
Cash dividends paid to minority shareholders	(4,710)	(7,080)	(7,091)
Purchases of stock for treasury, net	(56)	(298)	(15,297)
Net cash used in financing activities	(28,047)	(44,456)	(83,406)
Effect of exchange rate changes on cash and cash equivalents	9,399	1,634	2,839
Net decrease in cash and cash equivalents	(30,280)	(127,659)	(173,607)
Cash and cash equivalents at beginning of period	288,157	461,764	461,764
Cash and cash equivalents at end of period	257,877	334,105	288,157

5. DETAILS OF CONSOLIDATED REVENUE

(1) Revenue by product

Three months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct. 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct. 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions	28.6%	194,875	32.1%	205,461	(10,586)	(5.2)
Information Solutions	32.5%	221,781	29.3%	187,563	34,218	18.2
Document Solutions	38.9%	265,069	38.6%	247,004	18,065	7.3
Consolidated total	100.0%	681,725	100.0%	640,028	41,697	6.5

Nine months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions	27.4%	543,186	31.5%	595,559	(52,373)	(8.8)
Information Solutions	32.1%	636,990	29.7%	563,202	73,788	13.1
Document Solutions	40.5%	805,129	38.8%	734,192	70,937	9.7
Consolidated total	100.0%	1,985,305	100.0%	1,892,953	92,352	4.9

Note: Major products and services of each operating segments 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 December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct. 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct. 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Domestic	48.4%	330,098	50.9%	325,925	4,173	1.3
Overseas						
The Americas	21.5%	146,695	21.3%	136,492	10,203	7.5
Europe	14.4%	98,218	14.2%	90,612	7,606	8.4
Asia and others	15.7%	106,714	13.6%	86,999	19,715	22.7
Subtotal	51.6%	351,627	49.1%	314,103	37,524	11.9
Consolidated total	100.0%	681,725	100.0%	640,028	41,697	6.5

Nine months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Domestic	49.2%	976,331	50.9%	963,486	12,845	1.3
Overseas						
The Americas	21.6%	428,282	21.2%	401,418	26,864	6.7
Europe	14.4%	286,436	14.2%	268,144	18,292	6.8
Asia and others	14.8%	294,256	13.7%	259,905	34,351	13.2
Subtotal	50.8%	1,008,974	49.1%	929,467	79,507	8.6
Consolidated total	100.0%	1,985,305	100.0%	1,892,953	92,352	4.9

6. SEGMENT INFORMATION

(1) Operating segments

Three months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct. 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct. 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	28.6%	194,875	32.1%	205,461	(10,586)	(5.2)
Intersegment		208		120	88	-
Total		195,083		205,581	(10,498)	(5.1)
Information Solutions:						
External customers	32.5%	221,781	29.3%	187,563	34,218	18.2
Intersegment		643		1,011	(368)	-
Total		222,424		188,574	33,850	18.0
Document Solutions:						
External customers	38.9%	265,069	38.6%	247,004	18,065	7.3
Intersegment		3,040		2,788	252	-
Total		268,109		249,792	18,317	7.3
Eliminations		(3,891)		(3,919)	28	-
Consolidated total	100.0%	681,725	100.0%	640,028	41,697	6.5

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct. 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct. 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Operating Income:						
Imaging Solutions	3.9%	7,518	4.6%	9,412	(1,894)	(20.1)
Information Solutions	10.1%	22,443	8.1%	15,241	7,202	47.3
Document Solutions	4.3%	11,641	7.6%	18,865	(7,224)	(38.3)
Total		41,602		43,518	(1,916)	(4.4)
Eliminations		48		32	16	-
Consolidated total	6.1%	41,650	6.8%	43,550	(1,900)	(4.4)

Note: Major products and services of each operating segments 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

Nine months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	27.4%	543,186	31.5%	595,559	(52,373)	(8.8)
Intersegment		507		231	276	-
Total		543,693		595,790	(52,097)	(8.7)
Information Solutions:						
External customers	32.1%	636,990	29.7%	563,202	73,788	13.1
Intersegment		2,282		3,423	(1,141)	-
Total		639,272		566,625	72,647	12.8
Document Solutions:						
External customers	40.5%	805,129	38.8%	734,192	70,937	9.7
Intersegment		8,585		9,685	(1,100)	-
Total		813,714		743,877	69,837	9.4
Eliminations		(11,374)		(13,339)	1,965	-
Consolidated total	100.0%	1,985,305	100.0%	1,892,953	92,352	4.9

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Operating Income:						
Imaging Solutions	0.5%	2,548	2.3%	13,686	(11,138)	(81.4)
Information Solutions	9.0%	57,749	9.2%	52,005	5,744	11.0
Document Solutions	5.1%	41,269	10.7%	79,307	(38,038)	(48.0)
Total		101,566		144,998	(43,432)	(30.0)
Eliminations		98		(146)	244	-
Consolidated total	5.1%	101,664	7.7%	144,852	(43,188)	(29.8)

Note: Major products and services of each operating segments 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 information

Three months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Japan						
External customers	60.4%	411,948	63.1%	404,026	7,922	2.0
Intersegment		109,790		84,760	25,030	-
Total		521,738		488,786	32,952	6.7
The Americas						
External customers	18.1%	123,573	17.7%	113,505	10,068	8.9
Intersegment		6,527		3,840	2,687	-
Total		130,100		117,345	12,755	10.9
Europe						
External customers	12.2%	82,934	11.2%	71,482	11,452	16.0
Intersegment		3,468		2,785	683	-
Total		86,402		74,267	12,135	16.3
Asia and others						
External customers	9.3%	63,270	8.0%	51,015	12,255	24.0
Intersegment		62,199		43,476	18,723	-
Total		125,469		94,491	30,978	32.8
Eliminations		(181,984)		(134,861)	(47,123)	-
Consolidated total	100.0%	681,725	100.0%	640,028	41,697	6.5

Amount Unit: Millions of yen

	Three months ended Dec. 31, 2005 From Oct 1, 2005 To Dec. 31, 2005		Three months ended Dec. 31, 2004 From Oct 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Operating Income:						
Japan	6.5%	34,031	6.9%	33,813	218	0.6
The Americas	0.5%	667	(1.7)%	(1,953)	2,620	-
Europe	3.2%	2,745	3.4%	2,493	252	10.1
Asia and others	4.9%	6,205	5.9%	5,529	676	12.2
Eliminations	-	(1,998)	-	3,668	(5,666)	-
Consolidated total	6.1%	41,650	6.8%	43,550	(1,900)	(4.4)

Nine months ended December 31, 2005 and 2004

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Revenue:						
Japan						
External customers	61.8%	1,226,899	63.2%	1,196,089	30,810	2.6
Intersegment		292,579		258,261	34,318	-
Total		1,519,478		1,454,350	65,128	4.5
The Americas						
External customers	17.5%	347,517	17.8%	337,736	9,781	2.9
Intersegment		18,813		9,336	9,477	-
Total		366,330		347,072	19,258	5.5
Europe						
External customers	11.9%	236,196	11.1%	209,648	26,548	12.7
Intersegment		10,001		8,671	1,330	-
Total		246,197		218,319	27,878	12.8
Asia and others						
External customers	8.8%	174,693	7.9%	149,480	25,213	16.9
Intersegment		176,563		95,022	81,541	-
Total		351,256		244,502	106,754	43.7
Eliminations		(497,956)		(371,290)	(126,666)	-
Consolidated total	100.0%	1,985,305	100.0%	1,892,953	92,352	4.9

Amount Unit: Millions of yen

	Nine months ended Dec. 31, 2005 From April 1, 2005 To Dec. 31, 2005		Nine months ended Dec. 31, 2004 From April 1, 2004 To Dec. 31, 2004		Change	
					Amount	%
Operating Income:						
Japan	4.8%	73,116	7.7%	112,302	(39,186)	(34.9)
The Americas	0.9%	3,198	1.4%	4,840	(1,642)	(33.9)
Europe	2.8%	6,806	5.5%	11,911	(5,105)	(42.9)
Asia and others	5.2%	18,438	5.4%	13,303	5,135	38.6
Eliminations	-	106	-	2,496	(2,390)	-
Consolidated total	5.1%	101,664	7.7%	144,852	(43,188)	(29.8)