

## Fiscal 2005 3<sup>rd</sup> Quarter Earnings

FUJI PHOTO FILM CO., LTD.  
 January 31, 2005

### FORWARD-LOOKING STATEMENTS

This document contains projections of performance and other projections, which are made based on judgments regarding currently available information and which encompass potential risks and uncertainties. Accordingly, please be aware that diverse factors may cause actual results to differ materially from projected results.

## Performance Summary

### ➤ Operating Results for the 9 months ended Dec. 31, 2004

*Billions of yen*

	Nine months ended Dec. 31, 2004		Nine months ended Dec. 31, 2003		Change	
					Amount	%
Domestic	50.9%	963.5	51.3%	976.1	(12.6)	(1.3)
Overseas	49.1%	929.5	48.7%	926.4	+3.1	+0.3
<b>Revenue</b>	<b>100.0%</b>	<b>1,893.0</b>	<b>100.0%</b>	<b>1,902.5</b>	<b>(9.5)</b>	<b>(0.5)</b>
<b>Operating Income</b>	<b>7.7%</b>	<b>144.9</b>	<b>7.7%</b>	<b>146.6</b>	<b>(1.7)</b>	<b>(1.2)</b>
<b>Income before Income Taxes</b>	<b>7.6%</b>	<b>143.9</b>	<b>7.0%</b>	<b>133.5</b>	<b>+10.4</b>	<b>+7.8</b>
<b>Net Income</b>	<b>3.9%</b>	<b>73.5</b>	<b>3.8%</b>	<b>71.5</b>	<b>+2.0</b>	<b>+2.8</b>
<b>Exchange Rates</b>						
US\$		¥109		¥115		(¥6)
Euro		¥134		¥132		+¥2

## Performance Summary



### > Operating Results for the 3 months ended Dec. 31, 2004

Billions of yen

	Three months ended Dec. 31, 2004		Three months ended Dec. 31, 2003		Change	
					Amount	%
Domestic	50.9%	325.9	50.6%	325.1	+0.8	+0.3
Overseas	49.1%	314.1	49.4%	317.6	(3.5)	(1.1)
Revenue	100.0%	640.0	100.0%	642.7	(2.7)	(0.4)
Operating Income	6.8%	43.6	8.2%	52.9	(9.3)	(17.7)
Income before Income Taxes	5.9%	38.0	8.2%	52.5	(14.5)	(27.5)
Net Income	3.2%	20.8	4.7%	30.4	(9.6)	(31.6)
Exchange Rates						
US\$		¥106		¥109		(¥3)
Euro		¥137		¥130		+¥7

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## Operating Segments

Performance for the 3 months  
ended Dec. 31, 2004

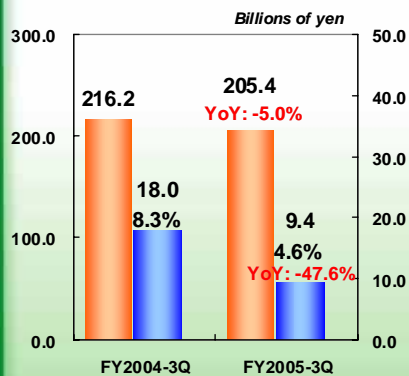


### > Imaging Solutions

#### Revenue\* /Operating Income

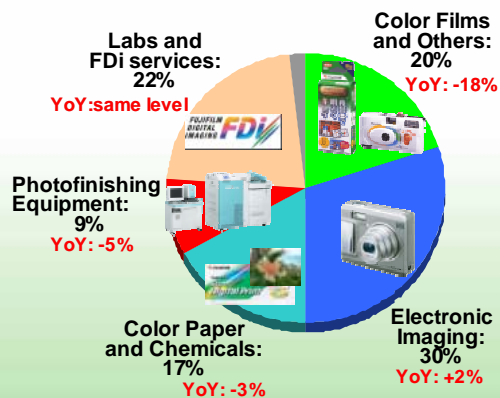
(Left scale) (Right scale)

Revenue Operating income



\*After elimination of  
intersegment transaction

#### Breakdown of Revenue



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## Operating Segments

Performance for the 3 months ended Dec. 31, 2004

FUJIFILM

### ➤ Color Films and Others



Ratio of Revenue: 20%  
YoY: -18%

- Domestic sales volume declined approximately 25% YoY, and overseas sales volume was down approximately 20%.
- To stimulate demand in the Christmas season, Fujifilm augmented TV commercials promoting its QuickSnap Smart Flash, one-time-use recyclable camera.

### ➤ Electronic Imaging



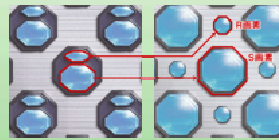
Ratio of Revenue: 30%  
YoY: +2%

- Digital camera sales volume in the 3Q is approximately 1.7 million units. (Total sales volume during 1Q-3Q is approximately 4.9 million units.)
- The recently launched FinePix S3 Pro digital SLR camera has attracted many inquiries from prospective purchasers.
- Aiming to increase the profit generating capability of its electronic imaging operations, Fujifilm has renovated its related R&D, procurement, and manufacturing systems.



FinePix S3 Pro  
incorporating  
Super CCD SR II

1/1.7  
Super CCD SR



23.0X15.5mm  
Super CCD SR II

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## Operating Segments

Performance for the 3 months ended Dec. 31, 2004

FUJIFILM

### ➤ Color Paper and Chemicals



Ratio of Revenue: 17%  
YoY: -3%

- Domestic sales were down 6% YoY on a volume basis, while factors that included the growing market diffusion of digital minilabs boosted overseas sales volumes by 3%.
- The share of digital camera prints among all prints has been continuously rising in Japan.
- Fujifilm launched the Pivi mobile printer in Japan, and has strongly promoted this product through a large volume of TV commercials.

### ➤ Photofinishing Equipment



Ratio of Revenue: 9%  
YoY: -5%

- Digital minilab sales volume during the FY 2005 has reached 5.9 thousand units.
- Fujifilm has begun marketing the Frontier 570, which features super-high-speed digital processing capacity.



Mobile Printer "Pivi"



Frontier 570 Digital minilab

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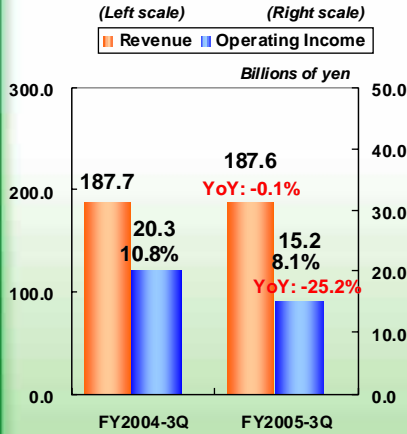
# Operating Segments

Performance for the 3 months ended Dec. 31, 2004



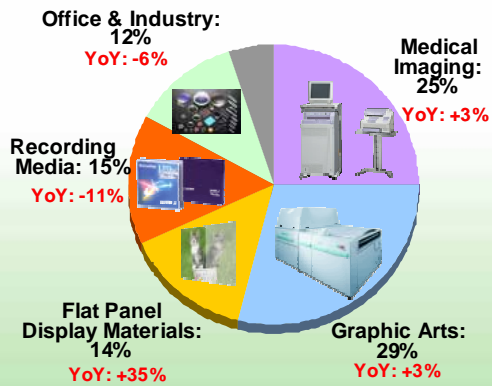
## Information Solutions

### Revenue\* /Operating Income



\*After elimination of intersegment transaction

### Breakdown of Revenue



# Operating Segments

Performance for the 3 months ended Dec. 31, 2004



## Medical Imaging Products



Ratio of Revenue: 25%  
YoY: +3%

- Sales of the FCR (Fuji Computed Radiography) line of digital X-ray diagnostic systems remained firm.
- Fujifilm has begun marketing EX-series versions of its SYNAPSE medical-use picture archiving and communications system to medium- and small-scale medical facilities in Japan.
- Aiming to strengthen its European endoscope marketing network, Fujifilm has set up an additional marketing office in the Czech Republic.

## Graphic Arts System Products



Ratio of Revenue: 29%  
YoY: +3%

- Sales of graphic arts system products were robust, reflecting a continued rise in the Company's CTP-related product sales.
- A new photopolymer CTP manufacturing facility is scheduled to begin operating in the Netherlands in April 2005.



A new photopolymer CTP manufacturing facility is scheduled to begin operating in the Netherlands, in April 2005.



The Double-balloon method Electronic Endoscopy system, winning 2004 Nikkei Superior Products and Services Awards and Nikkei Business Daily Awards for Excellence.

## Operating Segments

Performance for the 3 months ended Dec. 31, 2004



### ➤ Flat Panel Display Materials



Ratio of Revenue: 14%  
YoY: +35%

- While market inventories of polarizing plates and LCD panels are estimated to be rising, demand for FUJITAC and WV Film remains strong.
  - Fujifilm has obtained a site in Kumamoto Prefecture for an additional FUJITAC manufacturing facility, which is scheduled to begin operating at the end of 2006.
  - Construction of 3 new plants for manufacturing WV Film is under way.
- [Manufacturing Capacity of WV Film] August 2005: 70million m<sup>2</sup>/Year (+20 million m<sup>2</sup>)  
June 2006 : 90million m<sup>2</sup>/Year (+20 million m<sup>2</sup>)

### ➤ Recording Media



Ratio of Revenue: 15%  
YoY: -11%

- Sales of data cartridges for Enterprise Tape Drive 3592 were firm.
- Sales of the 3<sup>rd</sup> generation LTO Ultrium 3 began in October 2004

### ➤ Office & Industry



Ratio of Revenue: 12%  
YoY: -6%

- Sales of lens businesses were up due to the increased supplies of lens units for camera phones.
- The AR1000 document archiving system has been launched in Japan.

\*LTO and Ultrium are trademarks of Certance, HP and IBM in the United States and other countries or both.

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## Operating Segments

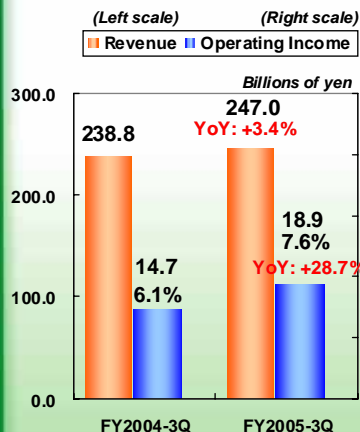
Performance for the 3 months ended Dec. 31, 2004



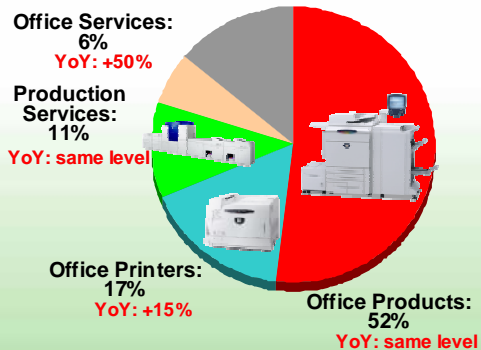
### ➤ Document Solutions

Revenue\* /Operating Income

Breakdown of Revenue



\*After elimination of intersegment transaction



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## Operating Segments

Performance for the 3 months ended Dec. 31, 2004

FUJIFILM

### Office Products



Ratio of Revenue: 52%  
YoY: same level

- Sales of digital color multifunction machines continued strong, with unit sales posting gains of approximately 30% YoY in Japan and 15% worldwide.
- Seven-Eleven Japan Co., Ltd. and Fuji Xerox Co., Ltd. started installing new multi-use copy machines in Seven-Eleven Japan stores from October 2004.
- Sales of the Apeos series, which features stronger network access capabilities, began in January 2005.

### Office Printers



Ratio of Revenue: 17%  
YoY: +15%

- In terms of sales volume, exports to North America and Europe were up approximately 120% YoY, and sales in the Asia/Oceania region rose roughly 130%. Sales volume in Japan was up approximately 10%, and worldwide sales grew about 60%.



Monochrome Multifunction Machine  
ApeosPort 750 I/650 I/550 I

Multifunction Machine Series "ApeosPort"  
Launched in January, 2005



Color Multifunction Machine  
ApeosPort C6550 I/C5540 I

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## Operating Segments

Performance for the 3 months ended Dec. 31, 2004

FUJIFILM

### Production Services



Ratio of Revenue: 11%  
YoY: same level

- Full-scale marketing has begun of the Xerox iGen3, which is a high-speed, high-precision, full-color on-demand printing system.
- Sales have begun of the Fuji Xerox FreeFlow service, which provides comprehensive support for digital printing operations.

### Office Services



Ratio of Revenue: 6%  
YoY: +50%

- Document outsourcing business is increasing.
- Sales of Internet-based "beat" services for medium and small sized business offices were up.
- Sales have been strong of a new electronic document management system for the administration of the family register.



Xerox iGen3 Digital Production Press



DocuColor 8000 Digital Press

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## Outlook For the FY2005



### ➤ Outlook for the year ending March 31, 2005.

Billions of yen

	Year ending March 31, 2005 Outlook		Year ended March 31, 2004 Result		Change	
					Amount	%
<b>Revenue</b>	<b>100.0%</b>	<b>2,610.0</b>	<b>100.0%</b>	<b>2,566.7</b>	<b>+43.3</b>	<b>+1.7</b>
<b>Operating Income</b>	<b>6.3%</b>	<b>164.0</b>	<b>7.2%</b>	<b>184.9</b>	<b>(20.9)</b>	<b>(11.3)</b>
<b>Income before Income Taxes</b>	<b>6.1%</b>	<b>160.0</b>	<b>6.4%</b>	<b>164.9</b>	<b>(4.9)</b>	<b>(3.0)</b>
<b>Net Income</b>	<b>3.2%</b>	<b>82.5</b>	<b>3.2%</b>	<b>82.3</b>	<b>+0.2</b>	<b>+0.2</b>

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## Implementation of VISION 75 (1)



### Building New Growth Strategies

—Creating New Businesses Expected to Become the Pillars of Fujifilm's Future Operations—

#### ■ R&D Efforts and Results

- Construction of Advanced Core Technology Laboratories in Kaisei-machi, Kanagawa. The new facility will synergistically integrate expertise from various fields to promote the development of highly innovative basic technologies that enable the creation of new businesses.

- Total Investment: ¥46.0 billion (aggregate investment over five years)
- Scheduled date of completion: Spring in 2006

The first application for use of Kanagawa Prefecture's corporate relocation incentive program.

#### ■ M&A Activities and Corporate Alliances

- Acquisition of the Microelectronic Materials division of Arch Chemicals, Inc. Through the acquisition of the Microelectronic Materials division which handles businesses in semiconductor process materials, Fujifilm aims to globally develop its semiconductor related process materials business.
- Acquisition of UK-based ink manufacturer Sericol Group, Limited. Fujifilm aims to develop and expand its printing businesses through the acquisition of Sericol, which has a leading position in the global markets for screen printing inks and industrial inkjet UV inks.

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## Implementation of VISION 75 (2)



### Comprehensive Structural Reforms Throughout Operations

#### ■ Structural reform of domestic distribution and marketing operations in the Imaging field

##### ■ FUJIFILM IMAGING Co., Ltd. started operation.

Fujifilm has integrated its domestic marketing functions in the imaging field with those of its four principal distributors thereby reducing distribution and sales costs.

#### ■ Fuji Xerox's Structural Reforms

##### ■ Measures to realize cost reduction

Increasing processing charge efficiency, promoting greater use of standardized components and lowering the procurement costs by shifting mass production bases to facilities in China.

##### ■ Reforms in information process

Promoting greater efficiency in distribution, development, administrative, and other operations by rebuilding its information process base.

##### ■ Staffing Reforms

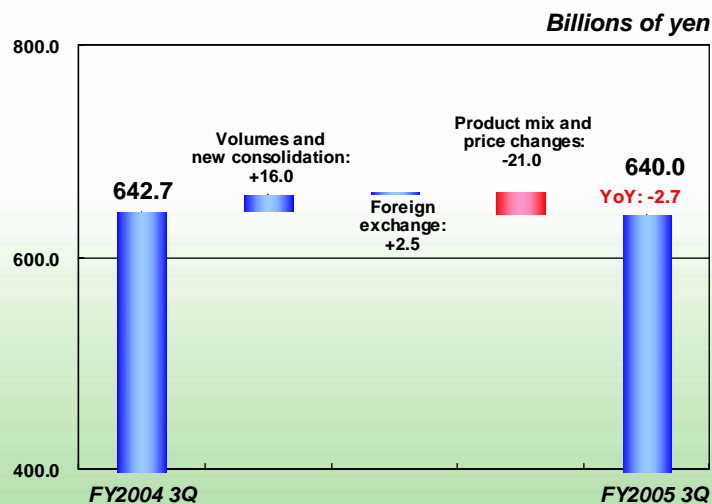
Implementing a comprehensive personnel expense reduction program including such measures as the introduction of a voluntary early retirement scheme and the reevaluation of current pension and retirement allowance systems.

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## Reference Data 1



### ➤ Change in Revenue for the three months ended Dec. 31, 2004.



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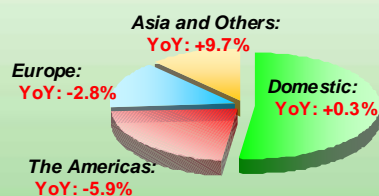
## Reference Data 2



### Domestic and Overseas Revenue for the three months ended Dec. 31, 2004.

Billions of yen

	Three months ended Dec. 31, 2004		Three months ended Dec. 31, 2003		Change %
	Ratio	Amount	Ratio	Amount	
Domestic	50.9%	325.9	50.6%	325.1	+0.3
Overseas					
The Americas	21.3%	136.5	22.6%	145.0	(5.9)
Europe	14.2%	90.6	14.5%	93.3	(2.8)
Asia & Others	13.6%	87.0	12.3%	79.3	+9.7
Subtotal	49.1%	314.1	49.4%	317.6	(1.1)
Consolidated Total	100.0%	640.0	100.0%	642.7	(0.4)



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## Reference Data 3



### Geographic Information for the three months ended Dec. 31, 2004.

Billions of yen

		Three months ended Dec. 31, 2004		Three months ended Dec. 31, 2003		Change	
		Ratio	Amount	Ratio	Amount	Amount	%
Japan	Revenue		488.8		488.6	+0.2	0.0
	Operating Income	6.9%	33.8	8.3%	40.8	(7.0)	(17.0)
The Americas	Revenue		117.3		124.8	(7.5)	(6.0)
	Operating Income	(1.7%)	(1.9)	2.1%	2.6	(4.5)	-
Europe	Revenue		74.3		75.4	(1.1)	(1.5)
	Operating Income	3.4%	2.5	5.6%	4.2	(1.7)	(41.5)
Asia and Others	Revenue		94.5		62.1	+32.4	+52.2
	Operating Income	5.9%	5.5	8.2%	5.1	+0.4	+8.6
Eliminations	Revenue		(134.9)		(108.2)	(26.7)	-
	Operating Income		3.7		0.2	+3.5	-
Consolidated Total	Revenue		640.0		642.7	(2.7)	(0.4)
	Operating Income	6.8%	43.6	8.2%	52.9	(9.3)	(17.7)

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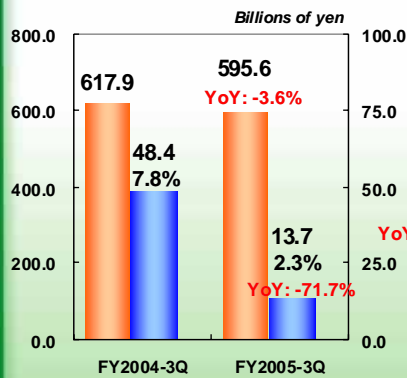
## Reference Data 4



### Imaging Solutions (For the nine months ended Dec. 31, 2004)

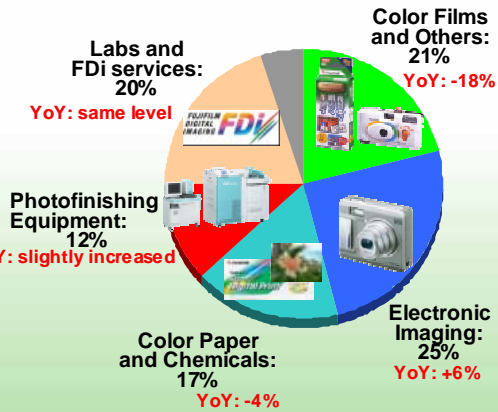
#### Revenue\* /Operating Income

(Left scale) (Right scale)  
 Revenue Operating income



\*After elimination of intersegment transaction

#### Breakdown of Revenue



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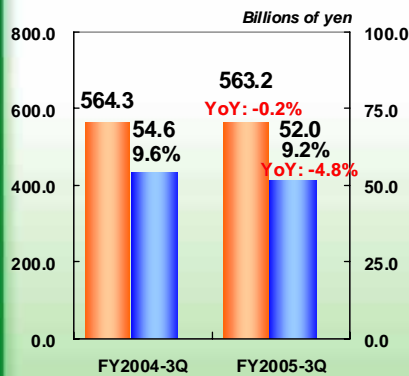
## Reference Data 5



### Information Solutions (For the nine months ended Dec. 31, 2004)

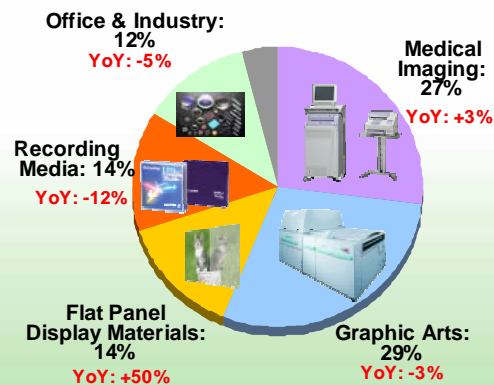
#### Revenue\* /Operating Income

(Left scale) (Right scale)  
 Revenue Operating Income



\*After elimination of intersegment transaction

#### Breakdown of Revenue



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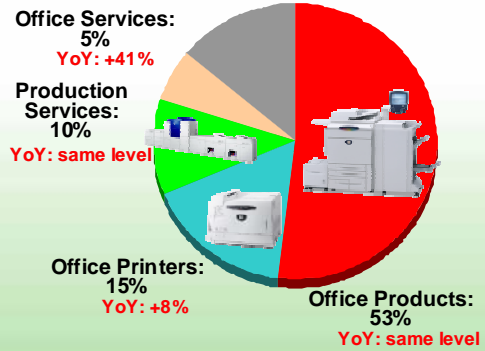
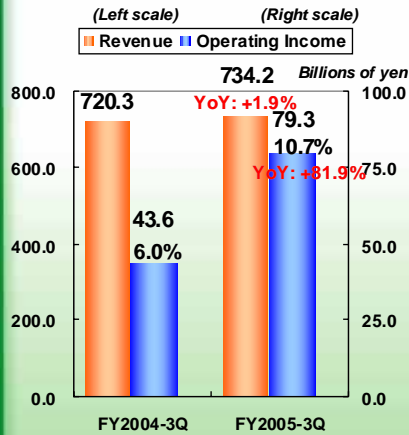
## Reference Data 6



### Document Solutions (For the nine months ended Dec. 31, 2004)

#### Revenue\* / Operating Income

#### Breakdown of Revenue



\*After elimination of intersegment transaction

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## Reference Data 7



### Capital Expenditure, Depreciation, and R&D Expenses

Billions of yen

	Year ending March 2005			Year ended March 2004		
	3Q	9 months	(Estimated)	3Q	9 months	
Imaging Solutions	4.5	30.6	-	8.4	35.7	49.1
Information Solutions	17.8	50.1	-	19.4	59.6	82.7
Document Solutions	7.9	20.7	-	5.9	14.9	28.9
<b>Capital Expenditure (Note)</b>	<b>30.2</b>	<b>101.4</b>	<b>165.0</b>	<b>33.7</b>	<b>110.2</b>	<b>160.7</b>
Imaging Solutions	16.3	46.6	-	15.9	44.9	59.4
Information Solutions	15.7	42.7	-	12.6	40.3	54.9
Document Solutions	14.6	42.4	-	15.8	42.7	58.3
<b>Depreciation and Amortization</b>	<b>46.6</b>	<b>131.7</b>	<b>-</b>	<b>44.3</b>	<b>127.9</b>	<b>172.6</b>
<b>Depreciation (Note)</b>	<b>33.4</b>	<b>94.0</b>	<b>125.0</b>	<b>33.0</b>	<b>92.1</b>	<b>124.6</b>
<b>R&amp;D Expenses</b>	<b>40.1</b>	<b>126.5</b>	<b>180.0</b>	<b>43.4</b>	<b>129.3</b>	<b>173.3</b>
<b>Ratio of R&amp;D Expenses to Revenue</b>	<b>6.3%</b>	<b>6.7%</b>	<b>6.9%</b>	<b>6.8%</b>	<b>6.8%</b>	<b>6.7%</b>

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

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## Reference Data 8



### ➤ Exchange Rates

	Year ending Mar. 31, 2005					Year ended Mar. 31, 2004				
	9 months				Estimated	9 months				
	1Q	2Q	3Q			1Q	2Q	3Q		
US\$	¥110	¥110	¥ 106	¥109	¥109	¥119	¥118	¥109	¥115	¥113
Euro	¥132	¥134	¥ 137	¥134	¥132	¥133	¥133	¥130	¥132	¥132

### ➤ Number of Employees

	As of Dec. 31, 2004	As of Mar. 31, 2004	As of Dec. 31, 2003
Non-Consolidated	8,982	9,363	9,417
Consolidated	75,126	73,164	73,590

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FUJI PHOTO FILM CO., LTD.  
IR OFFICE, CORPORATE COMMUNICATIONS DIV.  
<http://home.fujifilm.com/>