

## Earnings of Q3 FY2020

# FUJIFILM Holdings Corporation

**February 9, 2021**

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.

## Key Points of Performance in Q3 FY2020

### ■ Performance in Q3/9 Months FY2020

(Billions of yen)

	Q3			9M		
	FY2020	YoY		FY2020	YoY	
Revenue	576.0	-20.3	-3.4%	1,573.4	-155.0	-9.0%
Operating Income	64.0	4.4	7.4%	120.5	-31.1	-20.6%
Net Income Attributable to FUJIFILM Holdings	58.9	-0.7	-1.1%	126.5	5.8	4.8%

- ✓ Operating income for the third quarter rose YoY due to strong sales mainly in the healthcare field and the highly functional materials area. **As a result, the YoY decrease rate of profit up to the first half narrowed in the 9 months.**
- ✓ **Net income attributable to FUJIFILM Holdings for the 9 months made a record high profit.**  
The main factors behind the increase were an improvement of net income attributable to noncontrolling interests resulting from turning Fuji Xerox into a wholly-owned subsidiary and valuation gains on marketable and investment securities.

### ■ Full-year Forecast for FY2020

- ✓ Revenue: revised downward to ¥2,180.0 billion (down ¥30.0 billion)
- ✓ Operating income: **revised upward to ¥160.0 billion (up ¥17.0 billion).**
- ✓ Net income attributable to FUJIFILM Holdings **revised upward to a record high of ¥160.0 billion (up ¥35.0 billion).**
- ✓ Given the revisions in the full-year forecast, **the annual dividend forecast has been revised upward by ¥5 (¥95 -> ¥100 per share).**
- ✓ The next **Medium-term Management Plan "VISION2023"** is scheduled to be announced in mid-April 2021.

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In the third quarter of the fiscal year ending March 2021, FUJIFILM Holdings recorded revenue of ¥1,573.4 billion and operating income of ¥120.5 billion.

Operating income for the third quarter increased year-over-year as we increased revenue in the healthcare field and the highly functional materials area by addressing the need to contain the COVID-19 pandemic and capturing newly created demand. As a result, the year-over-year decrease rate of profit up to the first half narrowed in the 9 months. Also, net income attributable to FUJIFILM Holdings for the 9 months rose to ¥126.5 billion, which is the highest since we moved to a holding company structure by establishing FUJIFILM Holdings in 2006. Our performance is recovering steadily.

Regarding the full-year forecast, based on our current performance and the situation in the fourth quarter, we have revised revenue forecast downward by ¥30.0 billion, but operating income forecast has been revised upward by ¥17.0 billion to ¥160.0 billion. We have also revised the forecast for net income attributable to FUJIFILM Holdings upward by ¥35.0 billion to a record high of ¥160.0 billion.

Given the upward revisions in financial forecast, we have raised our annual dividend forecast by ¥5, to ¥100 per share, marking 11th consecutive annual increase.

We are making the group's all-out efforts to face the unprecedented crisis and contribute to the containment of the pandemic. Over the past year, despite the uncertain outlook, we decided to make aggressive investments mainly in the growing healthcare field, while optimizing our business portfolio and implementing strict cost management to improve profitability, thereby achieving well-balanced management. Our next medium-term management plan "VISION2023," which is based on an ever-more solid business foundation, will be announced in mid-April 2021.

## Consolidated Performance in Q3 FY2020

(Apr. 2020 – Dec. 2020)

(Billions of yen)

	9M				
	FY2019	FY2020	Change	Impact of exchange rate	Constant-currency basis
Revenue	1,728.4 100.0%	1,573.4 100.0%	(155.0) -9.0%	(15.5)	(139.5) -8.1%
Operating Income	151.6 8.8%	120.5 7.7%	(31.1) -20.6%	(5.2)	(25.9) -17.1%
Income before Income Taxes	166.5 9.6%	174.8 11.1%	8.3 +5.0%	(9.2)	17.5 +10.5%
Net Income Attributable to FUJIFILM Holdings	120.7 7.0%	<b>Record high</b> 126.5 8.0%	5.8 +4.8%	(6.4)	12.2 +10.2%
Net Income Attributable to FUJIFILM Holdings per Share	¥294.76	¥316.42	¥21.66	Other change factors (YoY): Impact of raw material prices on operating income: -¥0.4 billion	
Exchange Rates	US\$/¥ ¥109	¥106	(¥3)		
	€/¥	¥121	¥2		

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In the third quarter of the fiscal year ending March 2021, we recorded revenue of ¥1,573.4 billion, down 9.0% year-over-year, and operating income of ¥120.5 billion, down 20.6% year-over-year, mainly due to a decrease in sales of document solutions strongly impacted by the COVID-19.

Net income attributable to FUJIFILM Holdings increased 4.8% year-over-year to ¥126.5 billion. The increase was due to an improvement in net income attributable to non-controlling interests resulting from turning Fuji Xerox into a wholly-owned subsidiary and valuation gains on marketable and investment securities. As we mentioned at the beginning, this is the highest record since we moved to a holding company structure by establishing FUJIFILM Holdings.

## Consolidated Revenue and Operating Income by Operating Segment

(Billions of yen)

Revenue	9M		Change	Impact of exchange rate	Constant-currency basis	
	FY2019	FY2020				
Healthcare	350.8	380.1	29.3	(+8.3%)	(5.3)	34.6 (+9.8%)
Healthcare & Material Solutions	741.2	737.0	(4.2)	(-0.6%)	(9.0)	4.8 (+0.6%)
Document Solutions	721.1	617.8	(103.3)	(-14.3%)	(3.2)	(100.1) (-13.9%)
Imaging Solutions	266.1	218.6	(47.5)	(-17.9%)	(3.3)	(44.2) (-16.6%)
Total	1,728.4	1,573.4	(155.0)	(-9.0%)	(15.5)	(139.5) (-8.1%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income	9M		Change	Impact of exchange rate	Constant-currency basis	
	FY2019	FY2020				
Healthcare	20.0	36.0	16.0	(+80.8%)	(2.6)	18.6 (+94.0%)
Healthcare & Material Solutions	70.8	82.6	11.8	(+16.7%)	(4.0)	15.8 (+22.3%)
Document Solutions	80.5	46.2	(34.3)	(-42.6%)	(0.6)	(33.7) (-41.8%)
Imaging Solutions	27.4	14.1	(13.3)	(-48.5%)	(0.6)	(12.7) (-46.3%)
Corporate Expenses & Eliminations	(27.1)	(22.4)	4.7	-	0.0	4.7 -
Total	151.6	120.5	(31.1)	(-20.6%)	(5.2)	(25.9) (-17.1%)

Revenue and operating income of each segment are as shown here.

The details are in the following slide.

## Summary by Operating Segment

### Healthcare & Material Solutions

Revenue		YoY		Operating income		YoY	
737.0	(4.2)	(-0.6%)		82.6	11.8	(+16.7%)	

(Billions of yen)

- In the medical systems business, the impact of COVID-19 drove down revenue for the 9 months, but the third quarter revenue increased YoY due to growing sales of mobile X-ray equipment and portable ultrasonic diagnostic equipment for pneumonia diagnosis and strong sales of endoscopes.
- In the bio CDMO business, biopharmaceutical process development and manufacturing under contract progressed favorably and the consolidation of the manufacturing site in Denmark, acquired in August 2019, also contributed to a significant increase in revenue.
- The regenerative medicine business recorded increased revenue, with brisk sales of medium cultures for bio production.
- In the electronic materials business, revenue increased through strong sales of semiconductor process materials, due to buoyant demand for data center servers reflecting more widespread work-from-home.
- In the display materials business, revenue was up on higher sales materials used for monitors, tablets, and TVs.

- Revenue increased in the healthcare field, where the bio CDMO and regenerative medicine businesses performed well, and in the highly functional materials area of the materials field.
- Operating income increased significantly with increased revenue in the healthcare field and the highly functional materials area as well as extensive cost-cutting, which compensated the negative impacts of COVID-19.

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First, we will look at an overview of the Healthcare & Material Solutions segment.

Looking at the healthcare field, in the medical systems business, revenue fell in the 9 months due to the self-restraint of sales activities at hospitals, delayed sales negotiations and other COVID-19 impacts, but the third quarter revenue increased year-over-year due to growing sales of mobile X-ray equipment and portable ultrasonic diagnostic equipment for pneumonia diagnosis and strong sales of endoscopes in the Chinese market.

In the bio CDMO business, biopharmaceutical process development and manufacturing under contract progressed favorably. The effect of the consolidation of the manufacturing site in Denmark acquired in August 2019 also contributed to a significant increase in revenue. The business is in line with plans to achieve ¥100.0 billion in revenue targeted for the current fiscal year.

In the regenerative medicine business, revenue increased thanks to brisk sales of medium cultures for bio production by our US subsidiary, FUJIFILM Irvine Scientific.

Looking at the materials solutions field, in the electronic materials business, revenue increased through strong sales of CMP slurries, advanced resist devices and other semiconductor process materials, due to buoyant demand for data center servers reflecting more widespread work-from-home.

In the display materials business, revenue increased through higher sales of materials used for monitors, tablets, and TVs.

In the graphic system business, in addition to the decrease in demand for printing plates, the demand for printing posters and leaflets decreased due to the self-restraint of events due to the impact of COVID-19, resulting in a decrease in revenue.

In the Healthcare & Materials Solutions segment, revenue rose in the healthcare field, where the bio CDMO and regenerative medicine businesses are performing well, and in the highly functional materials area within the materials field.

Operating income increased significantly because higher revenue in the healthcare field and the highly functional materials area, as well as extensive cost-cutting, compensated the negative impact of COVID-19.

## Summary by Operating Segment

## ■ Document Solutions

Revenue	YoY		Operating income	YoY	
	(103.3)	(-14.3%)		(34.3)	(-42.6%)
617.8	(103.3)	(-14.3%)	46.2	(34.3)	(-42.6%)

(Billions of yen)

- In the office products and printers business, although print volumes decreased due to limited office operations and other factors stemming from COVID-19, MFP sales volume increased YoY in Japan, China, and other Asia-Pacific regions.
- In the production services, sales volume decreased year-over-year as customers restrained investments under uncertainties facing the COVID-19 pandemic.
- In the solutions and services business, revenue was driven down by restricted sales activity due to the impact of COVID-19.
- Sales of solutions that support work-from-home and new work styles increased. Sales of *DocuWorks*, a document handling software, *Netprint® Service* that allows users to use multi-copiers installed at Seven-Eleven stores nationwide in Japan, *beat* that offers a robust security network environment, and a paperless fax solution that allows faxes received at the office to be checked at home, all remained firm.

- Revenue decreased due to the negative impact of foreign exchange from depreciation of Asian currencies as well as COVID-19 impact.
- Operating margin ratio recovered steadily (Q1: 6.8%; Q2: 7.0%; Q3: 8.6%).
- Operating income is generated even in the challenging environment.

Moving on to an overview of the Document Solutions segment.

In the office products and printers business, limited office operations resulting from the impact of COVID-19, among other factors, caused a drop in print volume, but MFP sales volume increased year-over-year in Japan, China, and other Asia-Pacific regions.

In the production services business, sales volume decreased as customers curbed investment under economic uncertainties caused by COVID-19.

In the solutions and services business, revenue fell mainly due to restricted sales activities under the impact of COVID-19.

As the environment surrounding our business becomes more severe due to the rebound of the COVID-19 pandemic and other factors, sales of solutions that support work-from-home and new work styles are expanding. Among these are *DocuWorks*, a document handling software, which has sold a cumulative total of 7.7 million licenses in Japan and overseas, *Netprint® Service*, which allows users to use multi-copiers installed at Seven-Eleven stores nationwide in Japan, *beat*, which offers a robust security network environment, and a paperless fax solution that allows faxes received at the office to be checked at home.

In addition to the impact of COVID-19, the Document Solutions segment also suffered negative forex impacts due to the depreciation of Asian currencies, resulting in a decline in revenue.

Operating income fell due to the revenue decrease resulting from the impact of COVID-19, but operating margin recovered steadily. Our thorough efforts in operational reforms undertaken before the pandemic, such as improving operational productivity, shortening product development timeframes, and cutting costs, allowed the segment to lower its break-even point and generate income even in the challenging environment.

## Summary by Operating Segment

## ■ Imaging Solutions

Revenue	YoY		Operating income	YoY	
	(Billions of yen)			(Billions of yen)	
218.6	(47.5)	(-17.9%)	14.1	(13.3)	(-48.5%)

- In the photo imaging business, in addition to lower demand for color paper, stay-at-home orders, business shutdowns including temporary closure of retailers amid COVID-19 caused overall revenue to decline, but sales of instant photo systems increased YoY in the third quarter. Sales of the *instax mini 11* and the *instax mini Link* smartphone printer were favorable.
- In the electronic imaging business, despite the severe climate in the entire digital camera market, firm sales of the *FUJIFILM X-T4* and *FUJIFILM X-S10* mirrorless cameras allowed revenue for the third quarter to recover to the same level as last year.
- In the optical device business, revenue decreased, reflecting lower sales of broadcast and cinema lenses as a result of the self-restraint of events.

- Although revenue fell due to the impact of stay-at-home orders and the self-restraint or cancellation of events worldwide under COVID-19, sales of instant photo systems were up YoY in the third quarter.
- The operating margin for the third quarter recovered to the same level as last year, allowing operating income for the 9 months to return to being in the black.

Moving on to the performance of the Imaging Solutions segment.

In the photo imaging business, in addition to the drop in demand for color paper, revenue was also dragged down by the impacts of COVID-19, including stay-at-home orders and temporary store closures. However, sales of instant photo systems increased year-on-year in the third quarter. Sales of the *instax mini 11* and the *instax mini Link* smartphone printer were strong mainly in the US, Europe and China.

In the electronic imaging business, despite the severe climate in the entire digital camera market, favorable sales of mirrorless cameras, including the *FUJIFILM X-T4*, which has been acclaimed for its high-speed auto-focus and excellent video features, and *FUJIFILM X-S10*, which has been acclaimed for its compact size, easy-to-hold grip and powerful image stabilization, allowed revenue for the third quarter to recover to the same level as last year.

In the optical device business, revenue fell, mainly due to a decline in sales of broadcast and cinema lens, which were hit hard by the self-restraint of events.

The Imaging Solutions segment recorded a year-over-year decline in revenue primarily due to the impact of COVID-19, but sales are recovering steadily, as demonstrated by a year-over-year increase in sales of instant photo systems in the third quarter. Operating margin for the third quarter recovered to the same level as last year, allowing operating income for the 9 months to return to being in the black.

## Consolidated Balance Sheet

					(Billions of yen)				
	Mar.19	Mar.20	Dec.20	Change from Mar.20		Mar.19	Mar.20	Dec.20	Change from Mar.20
Cash and cash equivalents	654.7	396.1	494.8	98.7	Short-term and long-term debt	524.1	624.2	545.3	(78.9)
Notes and accounts receivable	617.8	558.4	530.0	(28.4)	Notes and accounts payable	238.4	222.3	204.4	(17.9)
Inventories	374.5	380.9	406.9	26.0	Other liabilities	407.3	481.4	496.0	14.6
Other current assets	83.9	153.8	92.5	(61.3)	Total liabilities	1,169.8	1,327.9	1,245.7	(82.2)
Total current assets	1,730.9	1,489.2	1,524.2	35.0	Total FUJIFILM Holdings shareholders' equity	2,037.0	1,953.3	2,081.0	127.7
Property, plant and equipment	526.8	600.5	615.2	14.7	Noncontrolling interests	207.9	40.5	43.2	2.7
Goodwill, net	655.5	687.2	685.9	(1.3)	Total equity	2,244.9	1,993.8	2,124.2	130.4
Investment securities and other	501.5	544.8	544.6	(0.2)	Total liabilities and equity	3,414.7	3,321.7	3,369.9	48.2
Total noncurrent assets	1,683.8	1,832.5	1,845.7	13.2					(yen)
Total assets	3,414.7	3,321.7	3,369.9	48.2					
					Exchange Rates	Mar.19	Mar.20	Dec.20	Change from Mar.20
					US\$/¥	¥111	¥109	¥104	(¥5)
					€/¥	¥125	¥120	¥127	¥7

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Now, let's take a look at the Balance Sheet.

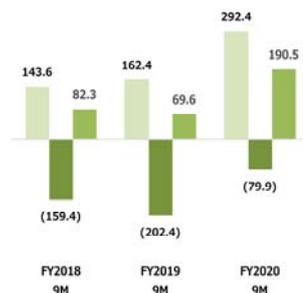
Assets as of the end of December 2020 totaled ¥3,369.9 billion. This was an increase of ¥48.2 billion from the end of March 2020, due to such factors as a decline in cash and cash equivalents.

Liabilities fell by ¥82.2 billion to ¥1,245.7 billion due to falls in short-term and long-term debt, and shareholders' equity increased by ¥127.7 billion to ¥2,081.0 billion.

## Cash Flow

- Net cash from operating activities
- Net cash from investing activities
- Free cash flow (excluding business acquisitions)

(Billions of yen)



	(Billions of yen)		
	FY2018 9M	FY2019 9M	FY2020 9M
Net income	114.4	133.5	127.8
Depreciation & amortization	95.6	91.8	90.9
Change in notes and accounts receivable	20.3	43.5	37.2
Change in inventories	(41.2)	(38.2)	(29.9)
Change in notes and accounts payable - trade	(6.0)	6.5	(10.4)
Others	(39.5)	(74.7)	76.8
C/F from operating activities	143.6	162.4	292.4
Capital expenditure	(47.1)	(64.8)	(72.9)
Purchases of software	(13.7)	(15.2)	(15.4)
Sales and purchases of marketable and investment securities	(13.8)	(3.7)	22.0
Acquisitions of businesses	(84.3)	(105.9)	0.0
Others	(0.5)	(12.8)	(13.6)
C/F from investing activities	(159.4)	(202.4)	(79.9)
Free cash flows	(15.8)	(40.0)	212.5
Free cash flows without acquisitions of businesses and others *	82.3	69.6	190.5

\*After deduction of acquisitions of businesses, sales and purchases of marketable and investment securities.

Finally, let's move on to cash flow.

Net cash from operating activities totaled ¥292.4 billion, mainly due to a decrease in notes and accounts receivable.

Net cash from investing activities amounted to ¥79.9 billion, mainly due to capital expenditure. As a result, free cash flow excluding business acquisitions was ¥190.5 billion.

In FY2020, given the uncertainty of the economic environment, we have exercised caution in the allocation of cash to capital expenditures and other investments, setting priorities after careful examination of growth opportunities and investment efficiency. Also, by introducing ROIC and CCC to our business management, we have enhanced our cash generation capacity and balance sheet management to maintain a sound financial position.

This concludes the overview of the company's performance in the third quarter of the year ending March 2021.

Earnings for Q3 FY2020

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**Forecast for FY2020**

Moving on to the forecast for FY2020, ending March 2021

## Consolidated Financial Forecast for FY2020 (as of February 9, 2021)

	(Billions of yen)				
	FY2019	FY2020 (previous forecast)	FY2020	Change from previous year	Change from previous forecast
Revenue	2,315.1 100.0%	2,210.0 100.0%	2,180.0 100.0%	-135.1 -5.8%	(30.0) -1.4%
Operating Income	186.6 8.1%	143.0 6.5%	160.0 7.3%	-26.6 -14.2%	17.0 +11.9%
Income before Income Taxes	173.1 7.5%	175.0 7.9%	210.0 9.6%	36.9 +21.3%	35.0 20.0%
Net Income Attributable to FUJIFILM Holdings	125.0 5.4%	125.0 5.7%	<b>Record high</b> 160.0 7.3%	35.0 +28.0%	35.0 +28.0%
Net Income Attributable to FUJIFILM Holdings per Share	¥306.18	¥312.68	¥400.22	¥94.04	¥87.54
ROE	6.3%	6.3%	7.8%	+1.5%	+1.5%
Exchange Rates US\$/¥	¥109	¥108	¥106	(¥3)	(¥2)
€/\$	¥121	¥120	¥123	¥2	¥3
Silver Price (/kg)	¥57,000	¥64,000	¥75,000	¥18,000	¥11,000

\*Exchange rate sensitivity for operating income (FY2020 full year) US\$/¥: 0.8 billion yen €/¥: 0.8 billion yen

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As mentioned at the beginning, regarding the consolidated financial forecast for the fiscal year ending March 2021, we have revised our operating income forecast upward by ¥17.0 billion to ¥160.0 billion, reflecting the recent strong performance mainly in the healthcare and highly functional materials fields.

Net income attributable to FUJIFILM Holdings has been revised upward by ¥35.0 billion. Despite the strong impact of the COVID-19, we are on track to achieve a record profit of ¥160.0 billion.

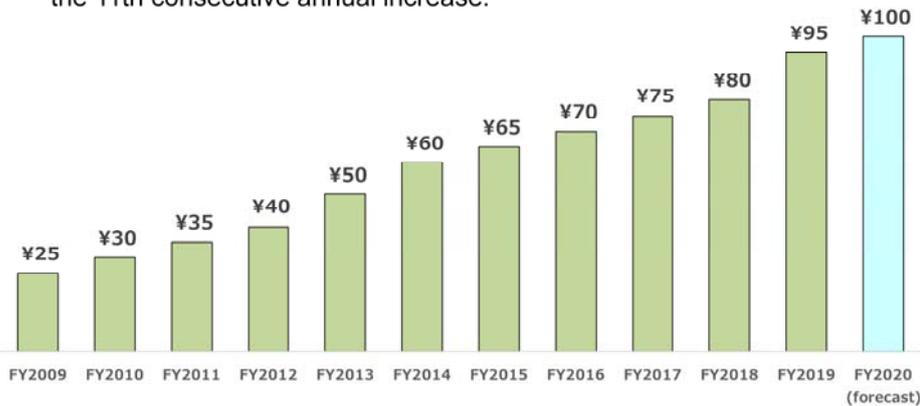
On January 29, we made an announcement regarding the transfer of shares in Japan Tissue Engineering Co., Ltd. to TEIJIN LIMITED. The forecast revision takes into account gains from this share transfer and the impact of business portfolio optimization in the healthcare field.

We have been expanding the healthcare field and the highly functional materials area as a future mainstay business by allocating management resources. As a strategy to accelerate further growth, we have been working on business portfolio optimization. This share transfer is part of this strategy, and we will continue optimizing the business portfolio.

## Shareholder Returns

### ■ Dividend

Annual dividend for FY2020 is up ¥5 per share from the previous forecast, now planned at ¥100 per share, an increase of ¥5 from the previous year, marking the 11th consecutive annual increase.



### ■ Share buybacks

We will buy back shares flexibly, in consideration of cash flow situation, according to changes in stock price

Finally, let us talk about our shareholder returns.

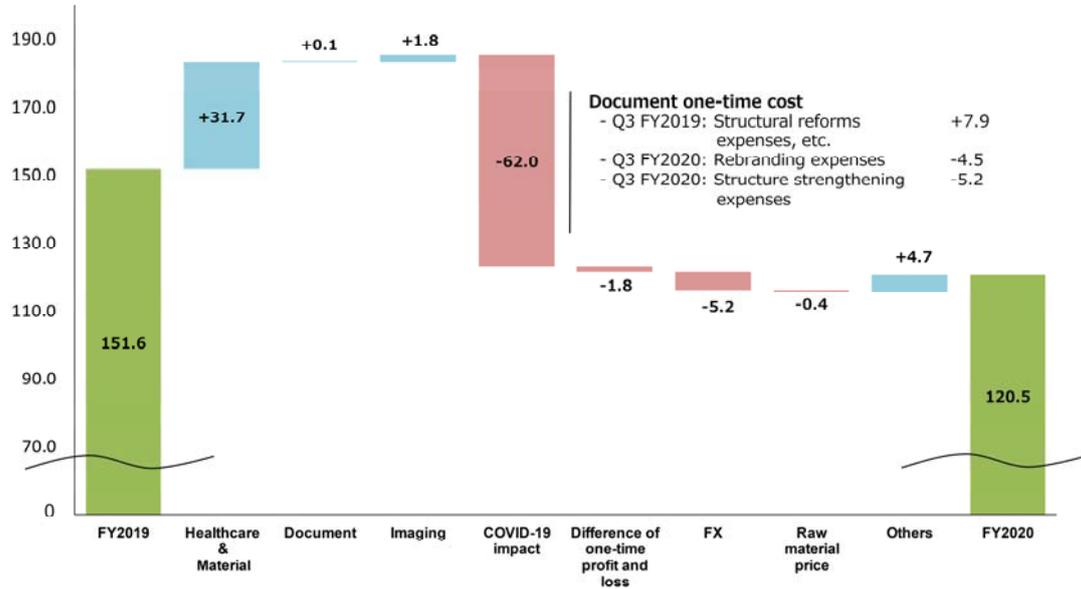
Our previous dividend forecast for the year ending March 2021 had been ¥95 per share, but as we informed you at the beginning, we have increased the dividend forecast by ¥5 to ¥100 per share, an increase of ¥5 from the previous year, marking the 11th consecutive annual increase.

Earnings for Q3 FY2020

## Appendices

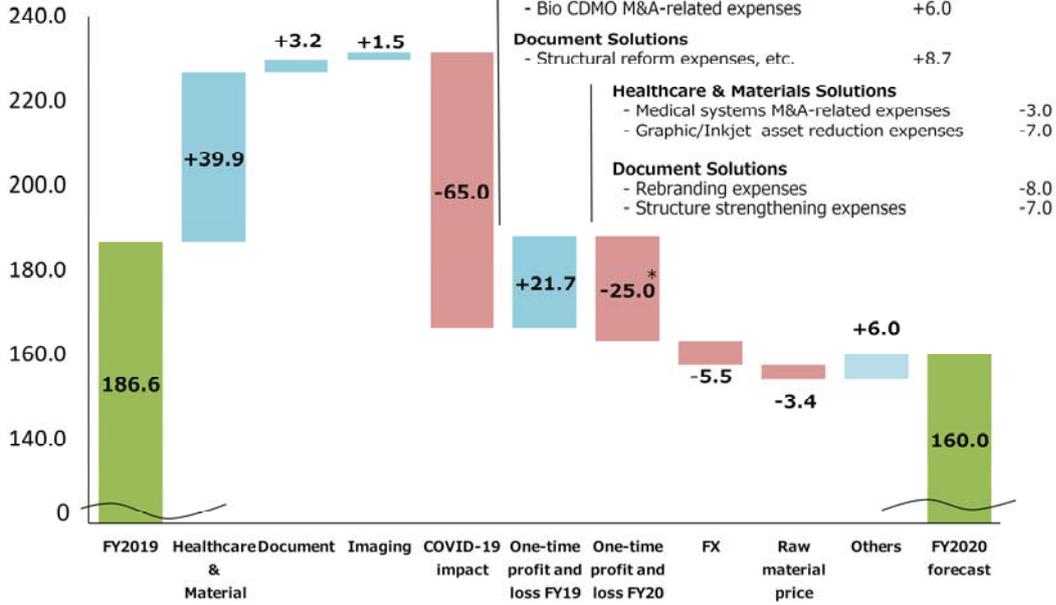
# Analysis of Operating Income Change (9 months year-over-year)

(Billions of yen)



## Analysis of Operating Income Change (Full-year forecast year-over-year)

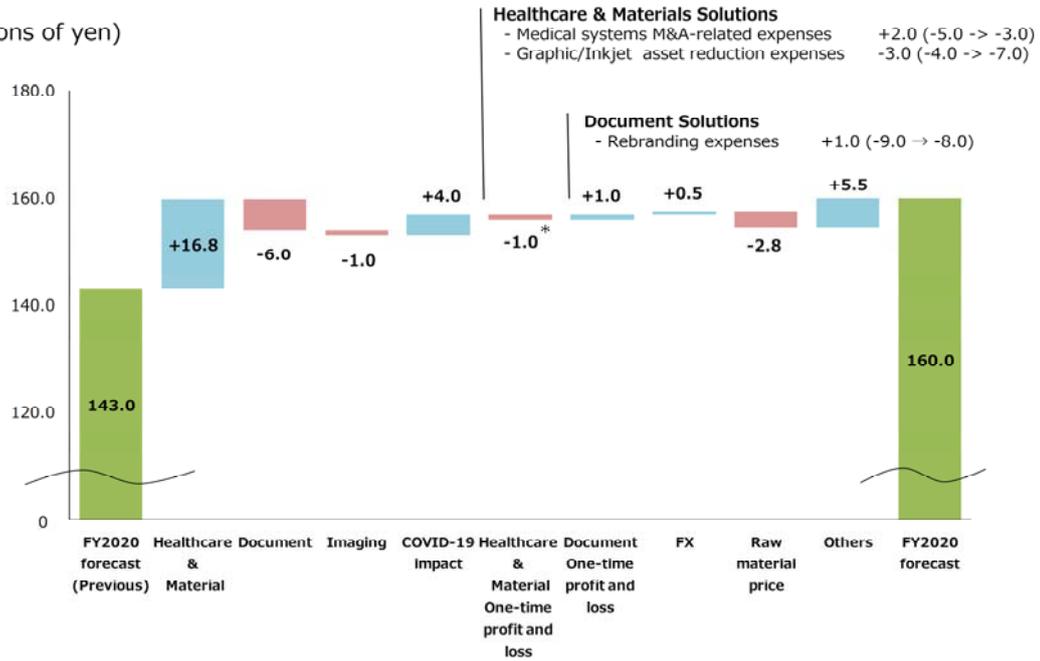
(Billions of yen)



\*Including the impact of business portfolio optimization in the healthcare field

## Analysis of Operating Income Change (Full-year forecast against previous forecast)

(Billions of yen)



\*Including the impact of business portfolio optimization in the healthcare field

## Earnings for Q3/9 Months FY2020

(Billions of yen)

	Q3			9M		
	FY2019	FY2020	Change	FY2019	FY2020	Change
Revenue	596.3 100.0%	576.0 100.0%	(20.3) -3.4%	1,728.4 100.0%	1,573.4 100.0%	(155.0) -9.0%
Operating Income	59.6 10.0%	64.0 11.1%	4.4 +7.4%	151.6 8.8%	120.5 7.7%	(31.1) -20.6%
Income before Income Taxes	69.0 11.6%	75.2 13.1%	6.2 +9.1%	166.5 9.6%	174.8 11.1%	8.3 +5.0%
Net Income Attributable to FUJIFILM Holdings	59.6 10.0%	58.9 10.2%	(0.7) -1.1%	120.7 7.0%	126.5 8.0%	5.8 +4.8%
Exchange Rates	US\$/¥ ¥109	¥105	(¥4)	¥109	¥106	(¥3)
	€/¥ ¥120	¥125	¥5	¥121	¥123	¥2

<Other factors of change (3Q/9 month YoY) > Operating income Raw material prices -1.5 billion / -0.4 billion

## Earnings for Q3/9 Months FY2020

(Billions of yen)

Revenue	Q3			9M		
	FY2019	FY2020	Change	FY2019	FY2020	Change
Healthcare	120.4	137.0	16.6 (+13.7%)	350.8	380.1	29.3 (+8.3%)
Healthcare & Material Solutions	248.5	263.7	15.2 (+6.1%)	741.2	737.0	(4.2) (-0.6%)
Document Solutions	235.8	207.6	(28.2) (-11.9%)	721.1	617.8	(103.3) (-14.3%)
Imaging Solutions	112.0	104.7	(7.3) (-6.6%)	266.1	218.6	(47.5) (-17.9%)
Total	596.3	576.0	(20.3) (-3.4%)	1,728.4	1,573.4	(155.0) (-9.0%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3			9M		
	FY2019	FY2020	Change	FY2019	FY2020	Change
Healthcare	8.9 [7.3%]	17.3 [12.7%]	8.4 (+97.8%)	20.0 [5.7%]	36.0 [9.5%]	16.0 (+80.8%)
Healthcare & Material Solutions	25.8 [10.4%]	36.8 [14.0%]	11.0 (+43.0%)	70.8 [9.6%]	82.6 [11.2%]	11.8 (+16.7%)
Document Solutions	25.6 [10.9%]	17.9 [6.6%]	(7.7) (-30.0%)	80.5 [11.2%]	46.2 [7.5%]	(34.3) (-42.6%)
Imaging Solutions	17.3 [15.4%]	16.2 [15.5%]	(1.1) (-5.8%)	27.4 [10.3%]	14.1 [6.5%]	(13.3) (-48.5%)
Corporate Expenses & Eliminations	(9.1)	(6.9)	2.2 -	(27.1)	(22.4)	4.7 -
Total	59.6 [10.0%]	64.0 [11.1%]	4.4 (+7.4%)	151.6 [8.8%]	120.5 [7.7%]	(31.1) (-20.6%)

## Earnings for Q3/9 Months FY2020

## ■ Healthcare &amp; Material Solutions

(Billions of yen)

Revenue	Q3				9M			
	FY2019	FY2020	Change	Constant-currency basis	FY2019	FY2020	Change	Constant-currency basis
Healthcare	120.4	137.0	16.6 (+13.7%)	19.0 (+15.6%)	350.8	380.1	29.3 (+8.3%)	34.6 (+9.8%)
Display Materials	21.5	27.1	5.6 (+26.3%)	5.6 (+26.3%)	67.7	71.3	3.6 (+5.4%)	3.6 (+5.4%)
Industrial Products								
Electronic Materials	44.7	49.2	4.5 (+10.3%)	5.3 (+12.2%)	129.9	141.6	11.7 (+9.0%)	13.4 (+10.4%)
Fine Chemical								
Highly Functional Materials	66.2	76.3	10.1 (+15.5%)	10.9 (+16.7%)	197.6	212.9	15.3 (+7.8%)	17.0 (+8.6%)
Recording Media	9.2	6.1	(3.1) (-34.3%)	(2.8) (-31.8%)	32.4	18.5	(13.9) (-42.9%)	(13.4) (-41.6%)
Graphic Systems/Inkjet	52.5	44.1	(8.4) (-16.0%)	(7.8) (-14.8%)	159.5	124.7	(34.8) (-21.8%)	(33.3) (-20.9%)
Others	0.2	0.2	0.0	(0.1)	0.9	0.8	(0.1)	(0.1)
Total	248.5	263.7	15.2 (+6.1%)	19.2 (+7.7%)	741.2	737.0	(4.2) (-0.6%)	4.8 (+0.6%)

Note: After elimination of intersegment transactions

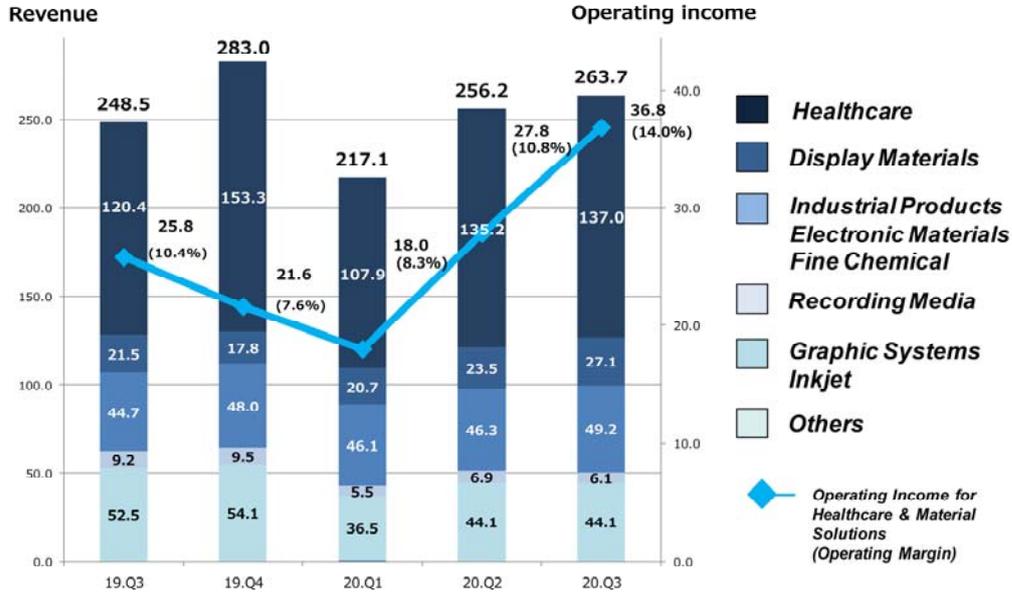
(Billions of yen)

Operating Income [Operating Margin]	Q3				9M			
	FY2019	FY2020	Change	Constant-currency basis	FY2019	FY2020	Change	Constant-currency basis
Healthcare	8.9 [7.3%]	17.3 [12.7%]	8.4 (+97.8%)	9.3 (+108.3%)	20.0 [5.7%]	36.0 [9.5%]	16.0 (+80.8%)	18.6 (+94.0%)
Healthcare & Material Solutions	25.8 [10.4%]	36.8 [14.0%]	11.0 (+43.0%)	12.7 (+49.4%)	70.8 [9.6%]	82.6 [11.2%]	11.8 (+16.7%)	15.8 (+22.3%)

## Changes in Quarterly Earnings by Operating Segment

### Healthcare & Material Solutions

(Billions of yen)



## Earnings for Q3/9M FY2020

## ■ Document Solutions

(Billions of yen)

Revenue	Q3				9M			
	FY2019	FY2020	Change	Constant-currency basis	FY2019	FY2020	Change	Constant-currency basis
Office Printers	29.0	23.8	(5.2)	(-18.2%) (5.1) (-17.7%)	89.2	69.9	(19.3)	(-21.6%) (18.6) (-20.8%)
Office Products & Printers	133.7	117.0	(16.7)	(-12.4%) (17.2) (-12.8%)	406.8	349.8	(57.0)	(-14.0%) (55.2) (-13.6%)
Production Services	29.7	23.5	(6.2)	(-20.8%) (6.3) (-21.2%)	88.5	71.3	(17.2)	(-19.5%) (16.7) (-18.9%)
Solutions & Services	65.2	58.5	(6.7)	(-10.2%) (6.6) (-10.1%)	202.0	173.1	(28.9)	(-14.3%) (28.0) (-13.8%)
Others	7.2	8.6	1.4	1.3	23.8	23.6	(0.2)	(0.2)
Total	235.8	207.6	(28.2)	(-11.9%) (28.8) (-12.1%)	721.1	617.8	(103.3)	(-14.3%) (100.1) (-13.9%)

Note: After elimination of intersegment transactions

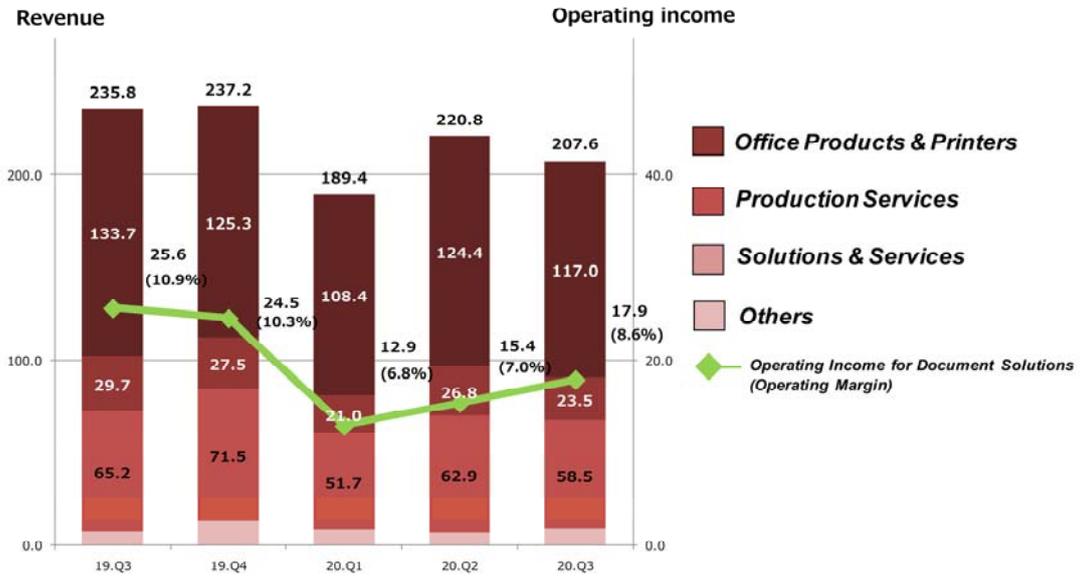
(Billions of yen)

Operating Income [Operating Margin]	Q3				9M			
	FY2019	FY2020	Change	Constant-currency basis	FY2019	FY2020	Change	Constant-currency basis
Document Solutions	25.6 [10.9%]	17.9 [8.6%]	(7.7)	(-30.0%) (9.0) (-35.2%)	80.5 [11.2%]	46.2 [7.5%]	(34.3)	(-42.6%) (33.7) (-41.8%)

## Changes in Quarterly Earnings by Operating Segment

### Document Solutions

(Billions of yen)



## Earnings for Q3/9 Months FY2020

## Imaging Solutions

(Billions of yen)

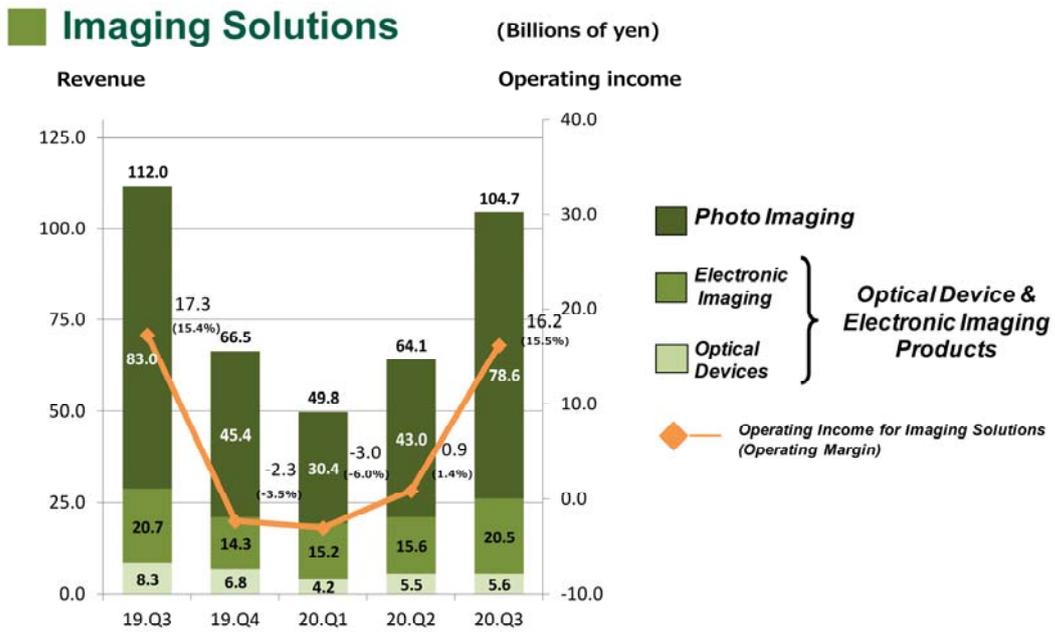
Revenue	Q3					9M						
	FY2019	FY2020	Change		Constant-currency basis	FY2019	FY2020	Change		Constant-currency basis		
Photo Imaging	83.0	78.6	(4.4)	(-5.1%)	(3.2)	(-3.7%)	183.5	152.0	(31.5)	(-17.1%)	(29.2)	(-15.9%)
Electronic Imaging	20.7	20.5	(0.2)	(-1.9%)	(0.1)	(-1.1%)	57.7	51.3	(6.4)	(-11.3%)	(5.6)	(-9.8%)
Optical Devices	8.3	5.6	(2.7)	(-32.3%)	(2.6)	(-31.5%)	24.9	15.3	(9.6)	(-38.5%)	(9.4)	(-37.8%)
Optical Device & Electronic Imaging Products	29.0	26.1	(2.9)	(-10.6%)	(2.7)	(-9.8%)	82.6	66.6	(16.0)	(-19.5%)	(15.0)	(-18.3%)
Total	112.0	104.7	(7.3)	(-6.6%)	(5.9)	(-5.3%)	266.1	218.6	(47.5)	(-17.9%)	(44.2)	(-16.6%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3					9M						
	FY2019	FY2020	Change		Constant-currency basis	FY2019	FY2020	Change		Constant-currency basis		
Imaging Solutions	17.3 [15.4%]	16.2 [15.5%]	(1.1)	(-5.8%)	(1.0)	(-5.8%)	27.4 [10.3%]	14.1 [6.5%]	(13.3)	(-48.5%)	(12.7)	(-46.3%)

## Changes in Quarterly Earnings by Operating Segment

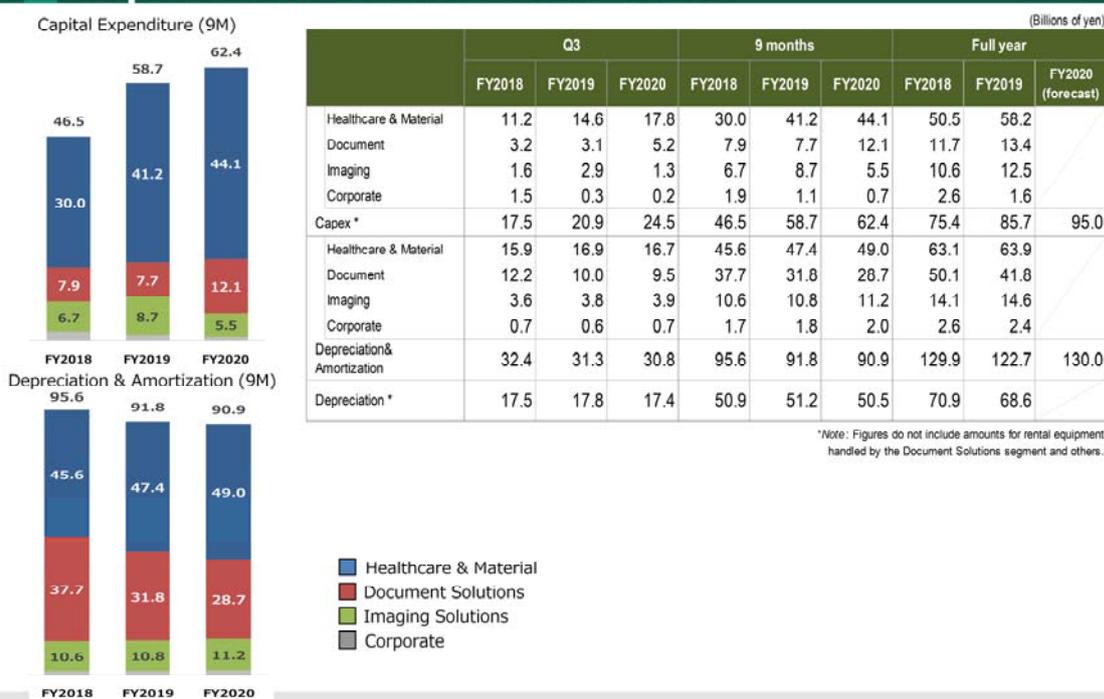


## Revenue by Geographical Area

(Billions of yen)

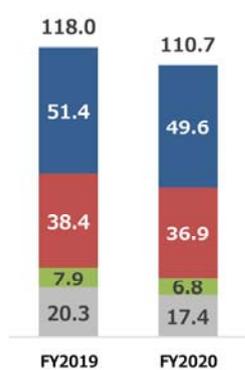
	FY2019 9M		FY2020 9M		Change	
	Ratio (%)		Ratio (%)			
Japan	42.3%	730.5	41.7%	656.7	(73.8)	(-10.1%)
The Americas	18.6%	322.9	18.9%	298.0	(24.9)	(-7.7%)
Europe	13.1%	225.9	12.3%	192.3	(33.6)	(-14.9%)
China	12.1%	209.5	14.0%	220.0	10.5	(+5.0%)
Asia and others	26.0%	449.1	27.1%	426.4	(22.7)	(-5.1%)
Overseas	57.7%	997.9	58.3%	916.7	(81.2)	(-8.1%)
Consolidated total	100.0%	1,728.4	100.0%	1,573.4	(155.0)	(-9.0%)

## Capital Expenditure, Depreciation and Amortization



## R&D Expenses, SG&A Expenses

R&amp;D Expenses (9M)



■ Healthcare & Material  
■ Document Solutions  
■ Imaging Solutions  
■ Corporate

(Billions of yen)

	Q3		9 months		Full Year	
	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020 (forecast)
Healthcare & Material	16.6	16.4	51.4	49.6	69.5	
Document	12.6	12.6	38.4	36.9	50.7	
Imaging	2.4	2.2	7.9	6.8	10.1	
Corporate	6.7	5.1	20.3	17.4	27.6	
<b>R&amp;D Expenses</b>	<b>38.3</b>	<b>36.3</b>	<b>118.0</b>	<b>110.7</b>	<b>157.9</b>	<b>150.0</b>
<ratio to revenue>	6.4%	6.3%	6.8%	7.0%	6.8%	6.9%
<b>SG&amp;A Expenses</b>	<b>151.6</b>	<b>153.4</b>	<b>453.5</b>	<b>419.7</b>	<b>610.0</b>	
<ratio to revenue>	25.4%	26.6%	26.2%	26.7%	26.3%	

## Exchange Rates, Raw Material Prices, and Number of Employees

### Exchange Rates

(yen)

	FY2019						FY2020				
	Q1	Q2	Q3	9M	Q4	Full year	Q1	Q2	Q3	9M	Full year (forecast)
US\$/¥	110	107	109	109	109	109	108	106	105	106	106
€/¥	123	119	120	121	120	121	119	124	125	123	123

### Raw Material Prices (Average)

(¥1,000/kg)

	FY2019						FY2020				
	Q1	Q2	Q3	9M	Q4	Full year	Q1	Q2	Q3	9M	Full year (forecast)
Silver	53	57	60	57	61	57	55	78	83	70	75

### Number of Employees

	2019.Dec	2020.Mar	2020.Jun	2020.Sep	2020.Dec
Consolidated Total	73,092	73,906	73,569	72,176	71,474

## Financial Forecast for FY2020 by Operating Segments (As of February 9, 2021)

(Billions of yen)

Revenue	FY2019	FY2020 (previous forecast)	FY2020	Change from previous year		Change from previous forecast
Healthcare	504.1	545.0	550.0	45.9	(+9.1%)	5.0
Material	520.1	485.0	480.0	(40.1)	(-7.7%)	(5.0)
Healthcare & Material Solutions	1,024.2	1,030.0	1,030.0	5.8	(+0.6%)	0.0
Document Solutions	958.3	895.0	870.0	(88.3)	(-9.2%)	(25.0)
Imaging Solutions	332.6	285.0	280.0	(52.6)	(-15.8%)	(5.0)
<b>Total</b>	<b>2,315.1</b>	<b>2,210.0</b>	<b>2,180.0</b>	<b>(135.1)</b>	<b>(-5.8%)</b>	<b>(30.0)</b>

Note: After elimination of intersegment transactions.

(Billions of yen)

Operating Income	FY2019	FY2020 (previous forecast)	FY2020	Change from previous year		Change from previous forecast
Healthcare	33.1	45.0	56.0	22.9	(+69.4%)	11.0
Material	59.3	43.0	52.0	(7.3)	(-12.4%)	9.0
Healthcare & Material Solutions	92.4	88.0	108.0	15.6	(+16.9%)	20.0
Document Solutions	105.0	80.0	71.0	(34.0)	(-32.4%)	(9.0)
Imaging Solutions	25.1	10.0	11.0	(14.1)	(-56.1%)	1.0
Corporate Expenses & Eliminations	(35.9)	(35.0)	(30.0)	5.9	-	5.0
<b>Total</b>	<b>186.6</b>	<b>143.0</b>	<b>160.0</b>	<b>(26.6)</b>	<b>(-14.2%)</b>	<b>17.0</b>

## Pipeline (As of February 9, 2021)

Development code	Therapeutic category	Formulation	Region	Development stage
T-705	Anti-COVID-19 drug	Oral	Japan	Submitted an application for permission
	Severe fever with thrombocytopenia syndrome virus drug		U.S.A.	P II
T-817MA	Alzheimer's disease drug	Oral	Japan	P III
			U.S.A.	P II
	Japan		P II	
	Europe		P II	
	Functional recovery after stroke (Promoting the effect of rehabilitation)		Japan	P II
T-4288	New fluoroketolide antibacterial drug	Oral	Japan	Submitted an application for permission
FF-10501	Myelodysplastic syndrome drug	Oral	Japan	P I
			U.S.A.	P II
FF-10502	Advanced/recurrent solid cancer drug	Injection	U.S.A.	P II
FF-21101	Bio Advanced/recurrent solid cancer drug (Armed antibody)	Injection	U.S.A.	P I / II a
			Japan	P I
F-1311	Diagnostic drug for prostate cancer (Radiopharmaceuticals)	Injection	Japan	P II
FF-10101	Acute Myeloid Leukemia (AML) drug	Oral	U.S.A.	P I
F-1515	Anti-tumor (neuroendocrine tumors) drug (Radiopharmaceuticals)	injection	Japan	Submitted an application for permission
FF-10832	Advanced solid cancer drug (Gemcitabine liposome)	Injection	U.S.A.	P I
FF-10850	Advanced solid cancer drug (Topotecan liposome)	Injection	U.S.A.	P I
F-1614	Anti-tumor (pheochromocytoma) drug (Radiopharmaceuticals)	Injection	Japan	Submitted an application for permission

## Related Information

### **FUJIFILM Holdings — Investor Relations**

<https://ir.fujifilm.com/en/investors.html>

### **FUJIFILM Holdings Integrated Report 2020**

<https://ir.fujifilm.com/en/investors/ir-materials/integrated-report.html>

### **IR Events Materials**

<https://ir.fujifilm.com/en/investors/ir-materials/presentations.html>

### **Business Activities of FUJIFILM Group**

<https://ir.fujifilm.com/en/investors/value/business.html>

### **Global Branding Campaign: NEVER STOP**

<https://brand.fujifilm.com/neverstop/en/>

### **Fujifilm's Response to the COVID-19 Pandemic**

<https://brand.fujifilm.com/covid19/>

# FUJIFILM

## Value from Innovation

At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere.  
Our goal is to empower the potential and expand the horizons of tomorrow's businesses and lifestyles.

**FUJIFILM Holdings Corporation**

Corporate Communications Div.

<https://holdings.fujifilm.com/en>