

Earnings of Q1 FY2021

August 13, 2021

FUJIFILM Holdings Corporation

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.

Consolidated Performance for Q1 FY2021

(Billions of yen)

	Actual	Change from FY20 Q1	Change from FY19 Q1
Revenue	582.7	+27.7%	+8.8%
Operating Income	56.3	2.8 times	+51.7%
Net Income Attributable to FUJIFILM Holdings	Record high 57.3	2.1 times	3.9 times

- ✓ Revenue and profits increased in all business segments. Steady recovery from the previous fiscal year when performance was affected by COVID-19.
- ✓ Highest ever Q1 net income attributable to FUJIFILM holdings. In addition to favorable performance, major contribution was from valuation gains on marketable and investment securities resulting from the IPO of an advanced medical company in which we had invested.

■ Full-year Forecast for FY2021

(Billions of yen)

	Previous forecast	Current forecast	Change
Revenue	2,440.0	2,500.0	+60.0
Operating Income	180.0	200.0	+20.0
Net Income Attributable to FUJIFILM Holdings	130.0	160.0	+30.0

- ✓ Full-year forecast has been revised upward reflecting strong Q1 performance.

In the first quarter of the fiscal year ending March 2022, FUJIFILM Holdings recorded revenue of ¥582.7 billion and operating income of ¥56.3 billion.

Recovering steadily from the impact of the COVID-19 pandemic of the previous year, all business segments achieved year-over-year increases in revenue and profits. Revenue and profits were significantly higher even compared to the first quarter of FY2019 prior to the outbreak of the COVID-19 pandemic, which means that we succeeded in recovering business performance by taking preemptive measures for all businesses based on their respective situations.

Net income attributable to FUJIFILM Holdings reached a record high for a first quarter at ¥57.3 billion. In addition to the steady recovery from COVID-19 pandemic, valuation gains on marketable and investment securities resulting from the IPO of an advanced medical company in which we had invested, and about which I will explain later on, contributed to higher results.

Full-year forecast has been revised upward reflecting strong Q1 performance, with revenue revised upward by ¥60.0 billion to ¥2,500.0 billion, operating income revised upward by ¥20.0 billion to ¥200.0 billion, and net income attributable to FUJIFILM Holdings revised upward by ¥30.0 billion to ¥160.0 billion.

Annual dividend forecast remains unchanged at ¥100 per share, but will be reviewed again based on upcoming performance.

FUJIFILM Value from Innovation **Key Points of Performance for Q1 FY2021** **NEVER STOP**

Bio CDMO Business

- Decided to make large-scale capital investment in the U.S. and Europe sites. Investment of approx. ¥90.0 billion; operations planned to start in H2 2023
- Drug substance manufacturing capacity for recombinant vaccines will be doubled in the U.S. to meet the growing demand for COVID-19 vaccines.
- In addition to expanded manufacturing capacity, we will capitalize on industry's top-class productivity to meet the growing demand for biopharmaceuticals and contribute to steady supply of high quality drugs.

Manufacturing capacity expansion plan*

*Manufacturing capacity at fiscal year-end

- U.S. site 20kℓ x 8 units. Operation to start in spring 2025
- Denmark site 20kℓ x 6 units. Operation to start in fall 2023

(Unit: kℓ)

Fiscal Year	Antibodies (Mammalian cell culture)	Others (Recombinant proteins, Gene Therapies, Vaccines)	Total Capacity (kℓ)
FY21	141	39	180
FY23	270	67	337
FY25	430	67	497

■ Others (Recombinant proteins (Microbial fermentation), Gene Therapies, Vaccines)
■ Antibodies (Mammalian cell culture)

Make aggressive capital investment to achieve FY2024 revenue target of ¥200.0 billion and CAGR of 20% in and after FY2025.

I will now explain about the key points of performance for the first quarter. First, about a new investment project in the bio CDMO business which was announced in June. We have decided to make large-scale investment at our sites in Europe and the U.S. With total investment amount of approximately ¥90.0 billion, we plan to significantly expand the production capability of biopharmaceutical drug substances, including those for COVID-19 vaccines and gene therapy drugs in the cutting-edge medical field, both of which are increasing in demand. Operation of the expanded facilities are scheduled to start in the latter half of 2023.

This graph illustrates our manufacturing capacity expansion plan, showing investments we have made to date. Including the investment we have just announced, we will expand manufacturing capacity to approximately 500,000 litres by the end of FY2025.

Now, let me remind you that to increase biopharmaceutical production capability, not only the bio reactor capacity, but also production efficiency, measured by the number of grams of target proteins, such as antibodies, produced per litre, is also important.

Our production technologies *Apollo™ X* and *pAVEway™* boast industry's top-class production efficiency, with the former achieving production efficiency of 10g per litre or more in mammalian cell culture process and the latter achieving production efficiency of 14g per litre in microbial fermentation process.

By capitalizing on industry's top-class production efficiency and manufacturing capacity, which will reach about 500,000 litres by FY2025 through aggressive capital investment in response to growing demand for biopharmaceuticals, we will address the needs of our customers and increase order levels.

The investment we have just announced ensures that we will achieve revenue target of ¥200.0 billion in FY2024, and will continue to achieve an average revenue growth rate of 20% per year.

FUJIFILM Value from Innovation **Key Points of Performance for Q1 FY2021** **NEVER STOP**

Life Sciences Business (Regenerative Medicine)

- Century Therapeutics, Inc., which U.S. subsidiary FCDI invested in and established with the aim of developing next-generation cancer immunotherapeutic drugs using allogeneic iPS cells, made IPO on the U.S. NASDAQ market. As a result, valuation gains on marketable and investment securities of ¥17.6 billion were recorded.
- A strategic R&D alliance agreement* was reached with BlueRock Therapeutics LP, a subsidiary of Germany-based Bayer AG, regarding iPS cell therapies for ocular diseases. An upfront payment of US\$30 million has been received and up to US\$40 million funding for R&D and part of investigational agent manufacturing is planned to be received for the development of the three retinal disease therapy programs.

Strengthen alliance with partner companies

- Joint R&D
- Supply therapeutic iPS cells
- iPS cell-related patent licensing

Pharmaceutical companies Bio ventures

Strengthen alliance with partner companies and promote industrialization of cell therapy in the regenerative medicine field by leveraging our iPS cell technology and manufacturing facilities

*Tri-party agreement between FUJIFILM Cellular Dynamics, Inc. (FCDI), Opsis Therapeutics, LLC, (both Fujifilm group companies) and BlueRock Therapeutics LP, which is a subsidiary of major pharmaceutical company Bayer AG

Next, we move on to the life sciences business. The life sciences business is subdivided into the regenerative medicine, cell culture media, and reagent businesses with a focus on drug discovery support services.

As key points of Q1 performance, we achieved two major accomplishments in the regenerative medicine field.

The first accomplishment is valuation gains on marketable and investment securities resulting from the IPO of Century Therapeutics Inc., in which our U.S. subsidiary FUJIFILM Cellular Dynamics, Inc. (FCDI) invested and established.

Century Therapeutics was jointly established by FCDI, which is a leading company in iPS cell development and manufacturing, and Versant Ventures, which is a major U.S. venture capital firm in the medical field, with the aim of developing next-generation cancer immunotherapeutic drugs using allogeneic iPS cells. Bayer AG, a major pharmaceutical company, also provides development funding for this project.

On June 18, Century Therapeutics made IPO on the U.S. NASDAQ market, which led us to record valuations gains of ¥17.6 billion on our stock holdings. Supply of iPS cells from FCDI to Century Therapeutics and other transactions between the two companies will continue after the IPO. With regard to the next-generation cancer immunotherapeutic drug, which is being developed by Century Therapeutics, we plan to carry out contract development of production process and manufacturing of investigational agents.

The second accomplishment is a strategic alliance with BlueRock Therapeutics LP, which is a subsidiary of Bayer AG. Through this alliance, BlueRock Therapeutics will have the option to obtain exclusive license for three nonclinical-stage, retinal disease therapy programs, which are being developed by FCDI and its subsidiary Opsis Therapeutics. In return, FCDI and Opsis Therapeutics received an upfront payment of US\$30 million and will receive up to US\$40 million funding for R&D and part of investigational agent manufacturing. For future production, FCDI will carry out contract manufacturing of investigational agents, and when the programs enter into a commercial production phase, BlueRock Therapeutics and FCDI will carry out the production.

In the regenerative medicine field, we have been promoting business portfolio tuning by selling Japan Tissue Engineering CO., Ltd. (J-TEC) in the previous fiscal year and other measures to focus on the fields where we can leverage our strength. Our strengths are in iPS cell technology, cGMP compliant production facilities, and human resources with expertise and know-how. The two accomplishments mentioned earlier were achieved by leveraging these strengths. We will continue to strengthen alliance with our partner companies to promote industrialization of cell therapy and commit to the development of cell therapeutic products to meet unmet medical needs.

Thank you. That's all from me.

FUJIFILM Consolidated Performance for Q1 FY2021
Value from Innovation (April 2021– June 2021)



(Billions of yen)

	Q1				
	FY2020	FY2021	Change	Impact of exchange rate	Constant-currency basis
Revenue	456.3 100.0%	582.7 100.0%	126.4 +27.7%	19.7	106.7 +23.4%
Operating Income	20.4 4.5%	56.3 9.7%	35.9 2.8 times	4.0	31.9 2.6 times
Income before Income Taxes	42.2 9.2%	Record high 77.8 13.3%	35.6 +84.3%	5.1	30.5 +72.3%
Net Income Attributable to FUJIFILM Holdings	27.5 6.0%	Record high 57.3 9.8%	29.8 2.1 times	3.5	26.3 +95.6%
Net Income Attributable to FUJIFILM Holdings per Share	¥68.80	¥143.34	¥74.54	Other change factors (YoY): Impact of raw materials prices on operating income: -¥5.3 billion	
Exchange Rates	US\$/¥ ¥108	¥109	¥1		
	€/¥	¥119	¥13		

In the first quarter of the fiscal year ending March 2022, revenues increased by 27.7% year-over-year to ¥582.7 billion, and consolidated operating income increased 2.8 times year-over-year to ¥56.3 billion.

Income before income taxes surged 84.3% year-over-year to a record high for a first quarter of ¥77.8 billion, due mainly to valuation gains on marketable and investment securities resulting from the IPO of Century Therapeutics.

Net income attributable to FUJIFILM Holdings for the first quarter also reached a record high, increasing 2.1 times year-over-year to ¥57.3 billion.

Consolidated Revenue and Operating Income by Operating Segment

(Billions of yen)

Revenue	Q1		Change	Constant-currency basis
	FY2020	FY2021		
Healthcare	110.2	174.2	64.0 (+58.0%)	58.8 (+53.3%)
Materials	127.4	149.8	22.4 (+17.7%)	17.9 (+14.2%)
Business Innovation	168.9	186.1	17.2 (+10.2%)	11.0 (+6.5%)
Imaging	49.8	72.6	22.8 (+45.6%)	19.0 (+38.0%)
Total	456.3	582.7	126.4 (+27.7%)	106.7 (+23.4%)

Note: After elimination of intersegment transactions

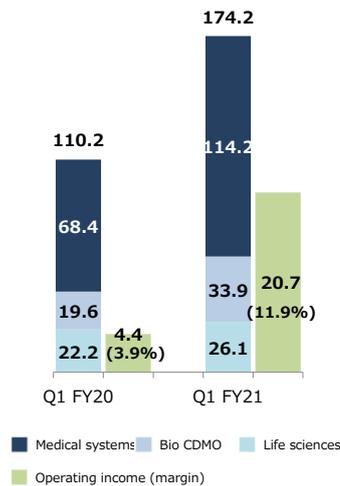
(Billions of yen)

Operating Income	Q1		Change	Constant-currency basis
	FY2020	FY2021		
Healthcare	4.4	20.7	16.3 (4.7 times)	15.5 (4.6 times)
Materials	13.1	21.3	8.2 (+62.9%)	7.6 (+58.4%)
Business Innovation	13.4	14.0	0.6 (+4.5%)	(0.2) (-1.3%)
Imaging	(3.0)	8.0	11.0 Turned to the black	9.1 Turned to the black
Corporate Expenses & Eliminations	(7.5)	(7.7)	(0.2) -	(0.1) -
Total	20.4	56.3	35.9 (2.8 times)	31.9 (2.6 times)

Revenue and operating income of each business segment are as shown here. From this fiscal year onward, performance of the Healthcare segment is disclosed separately as we explained in the medium-term management plan, VISION 2023, announced on April 15, 2021.

- In addition to organic growth in all sub-segments, consolidation of FUJIFILM Healthcare in the medical systems business contributed to a sharp year-over-year increase of 58% in revenue and a 4.7 times increase in operating income.

(Billions of yen)



Medical systems: Revenue ¥114.2 billion (up 67.1% YoY)

- In addition to turning FUJIFILM Healthcare into a consolidated subsidiary, the steady demand for ultraportable digital X-ray imaging systems and ultrasound diagnostic devices, both useful for pneumonia diagnosis, contributed to a surge in revenue.

Bio CDMO: Revenue ¥33.9 billion (up 72.5% YoY)

- Favorable performance of contract process development and manufacturing of biopharmaceuticals and manufacture of drug substances for COVID-19 vaccine candidates at the U.S. site resulted in a surge in revenue.

Life sciences*: Revenue ¥26.1 billion (up 17.5% YoY)

- In the life sciences business, solid sales of cell culture media for biopharmaceutical manufacturing led to a surge in revenue.
- In the consumer healthcare business, favorable sales of *MetabARRIER EX* and other supplements and steady sales of new cosmetic products contributed to higher revenue.

*Life sciences: Disclosure segment consisting of life sciences business (cells, culture media, reagents), pharmaceutical business, and consumer healthcare business (cosmetics, supplements)

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

In addition to organic growth in all sub-segments, consolidation of FUJIFILM Healthcare in the medical systems business contributed to a sharp year-over-year increase of 58% in revenue to ¥174.2 billion and a 4.7 times increase in operating income to ¥20.7 billion.

In the medical systems business, in addition to turning FUJIFILM Healthcare Corporation into a consolidated subsidiary, the steady demand for ultraportable digital X-ray imaging systems and ultrasound diagnostic devices, both useful for pneumonia diagnosis, contributed to a surge in revenue.

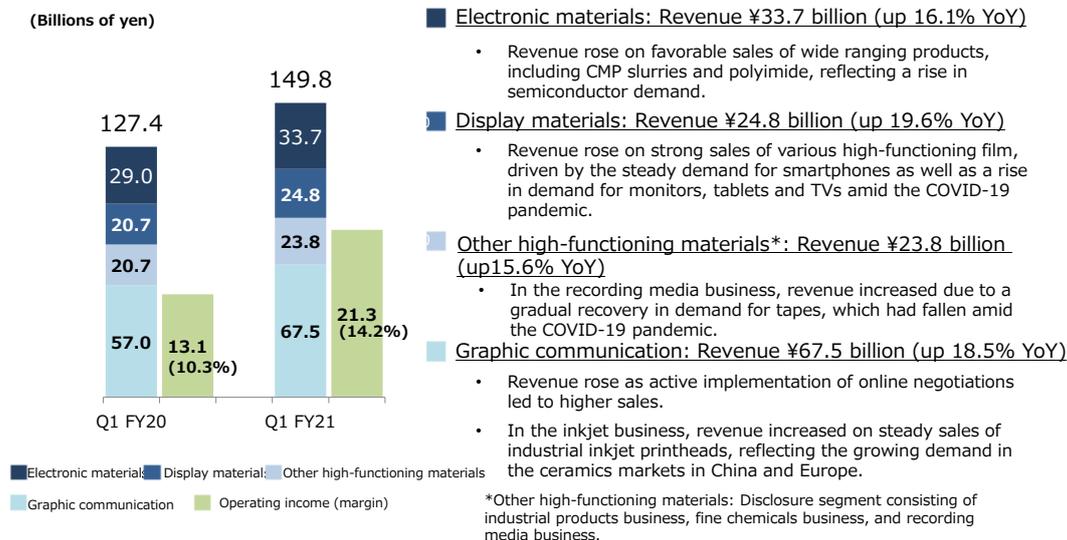
In the bio CDMO business, revenue increased as contract process development and manufacturing of biopharmaceuticals progressed favorably, and also the manufacturing of drug substances for COVID-19 vaccine candidates at the U.S. site contributed to higher revenue.

In the life sciences business, revenue increased on solid sales of cell culture media by U.S. subsidiary FUJIFILM Irvine Scientific for use in biopharmaceutical manufacturing.

In the consumer healthcare business, overall revenue climbed on favorable sales of *MetabARRIER EX* and other supplements and on firm sales of new cosmetic products.

- Significant year-over-year increases of **17.7% in revenue** and **62.9% in operating income** led by steady recovery from the COVID-19 pandemic as well as growth in the electronic materials business in tandem with the increasing demand for semiconductors.

(Billions of yen)



Moving on to the performance of the Materials segment.

In addition to steady recovery from the COVID-19 pandemic, growth in the electronic materials business driven by increasing demand for semiconductors pushed revenue up by 17.7% year-over-year to ¥149.8 billion and operating income up by 62.9% to ¥21.3 billion.

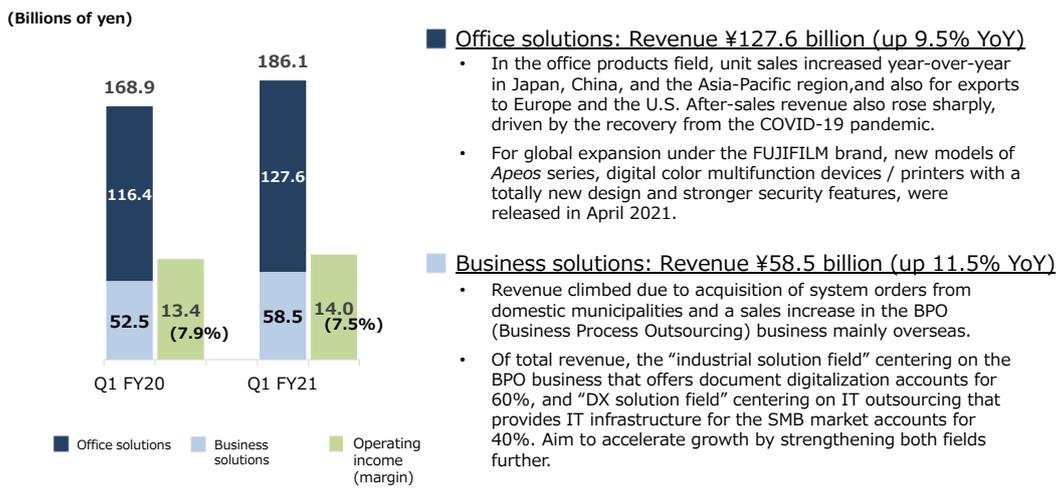
In the electronic materials business, revenue rose due to steady sales of wide ranging products, including CMP slurries and polyimide, in tandem with rising semiconductor demand.

In the display materials business, overall revenue increased as sales of various high-functioning film were favorable, driven by a rise in demand for monitors, tablets and TVs amid the COVID-19 pandemic, and also by strong demand for smartphones.

In the graphic communication business, revenue of printing plate materials recovered gradually from the COVID-19 pandemic. In addition, revenue rose as active implementation of online negotiations led to higher sales of digital printing devices. On July 1, FUJIFILM Corporation's Graphic Systems Business Division and FUJIFILM Business Innovation Corp.'s Graphic Communication Services Business Group are integrated to offer an end-to-end solutions covering both analogue and digital printing by combining both companies' sales force and technological / product strengths.

In the inkjet business, sales of industrial inkjet printheads were steady, reflecting growing demand in the ceramics markets in China and Europe. Ink sales recovered from a decline in demand resulting from the COVID-19 pandemic, and an increase in sales mainly of dye inks for household and office markets drove revenue higher.

- Revenue and operating income increased 10.2% and 4.5% year-over-year respectively as the business recovered from the COVID-19 pandemic.
- Started to launch new products under the FUJIFILM brand. We will further accelerate global expansion including new OEM supplies.



Moving on to the performance of the Business Innovation segment.

Recovering from the COVID-19 pandemic, revenue increased by 10.2% year-over-year to ¥186.1 billion and operating income rose by 4.5% to ¥14.0 billion.

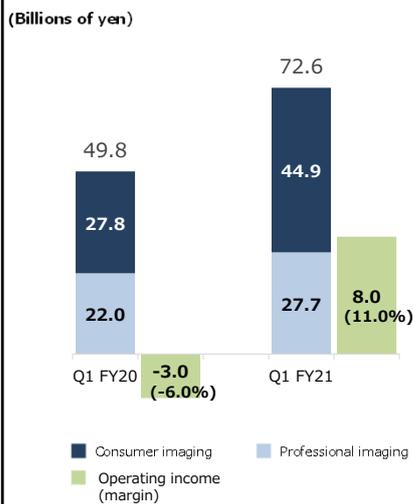
In the office products field within the office solutions business, the number of unit sales increased year-over-year in Japan, China, and the Asia-Pacific region, as well as for exports to Europe and the U.S. After-sales revenue also rose sharply reflecting a steady recovery from the COVID-19 pandemic.

For global expansion under the FUJIFILM brand, we released new models of Apeos, digital color multifunction devices / printers with a totally new design and stronger security features in April 2021. We will accelerate global expansion including new OEM supplies.

In the business solutions business, revenue climbed year-over-year due to an increase in system orders from domestic municipalities and steady performance of the BPO (Business Process Outsourcing) business mainly overseas. This business is comprised of the "industrial solutions" field centering on the BPO business which focuses on document digitalization, and the "DX solutions" field including IT outsourcing which provides IT infrastructure environment for the SMB market. Of overall revenue, "industrial solutions" account for 60% and "DX solutions" 40%. We will accelerate further growth in both fields by continually offering new solution and service menus.

We strive to support customers' diversifying work styles and solve management issues through DX and expand the growth of Business Innovation segment as a whole.

- **Performance recovered sharply as revenue surged 45.6% YoY and operating income returned to the black year-over-year, due to strong sales of instant photo systems.**



Consumer imaging: Revenue ¥44.9 billion (up 61.0% YoY)

- In addition to the recovery from the COVID-19 pandemic, revenues soared year-over-year on solid sales of instant photo systems and dry minilabs / materials for retailers in the U.S.
- As an entry model of instant photo systems, the *instax mini 40* compatible with mini format film was released in April 2021. It was rated highly in the market for its classic camera design that never goes out of style, and achieved firm sales in Japan and overseas.

Professional imaging: Revenue ¥27.7 billion (up 26.1% YoY)

- *FUJIFILM GFX100S*, a mirrorless digital camera which has gained a high reputation worldwide for its superior image quality using a large format sensor despite its compact body, increased its user base and continued to boost sales.
- Revenue climbed as sales of broadcast and cinema lenses, which had been hit by a drop in demand due to the COVID-19 pandemic, began to pick up. Sales in the monitoring / measurement field, including long-range surveillance cameras and machine vision lenses, also fared well.

Moving on to the performance of the Imaging segment.

Solid sales of instant photo systems drove revenue up 45.6% year-over-year to ¥72.6 billion and operating income to move into the black by ¥8.0 billion compared to the losses a year earlier.

In the consumer imaging field, revenues increased on solid sales of instant photo systems and dry minilabs / materials for retailers in the U.S. As an entry model of instant photo systems, which enables users to enjoy on-the-spot photo printing, we launched the *instax mini 40* compatible with mini format film in April 2021. It was rated highly in the market for its classic camera design that never goes out of style, and achieved firm sales in Japan and overseas.

In the professional imaging field, sales of digital cameras remained steady, including the *FUJIFILM GFX100S*, a mirrorless digital camera which has gained a high reputation worldwide for its superior image quality using a large format sensor despite its compact body. Sales of broadcast and cinema lenses, which had been hit by a decline in demand due to the COVID-19 pandemic, turned upward, contributing to higher revenue. The monitoring / measurement field, including long-range surveillance cameras and machine vision lenses, also achieved significantly higher revenue than a year earlier.

(Billions of yen)

	Mar.2020	Mar.2021	Jun.2021	Change from Mar.2021		Mar.2020	Mar.2021	Jun.2021	Change from Mar.2021
Cash and cash equivalents	396.1	394.8	431.4	36.6	Short-term and long-term debt	624.2	503.0	502.7	(0.3)
Notes and accounts receivable	558.4	605.7	535.5	(70.2)	Notes and accounts payable	222.3	239.9	242.2	2.3
Inventories	380.9	417.7	458.0	40.3	Other liabilities	481.4	584.1	589.2	5.1
Other current assets	153.8	89.2	121.3	32.1	Total liabilities	1,327.9	1,327.0	1,334.1	7.1
Total current assets	1,489.2	1,507.4	1,546.2	38.8	Total FUJIFILM Holdings shareholders' equity	1,953.3	2,204.6	2,269.0	64.4
Property, plant and equipment	600.5	635.3	643.1	7.8	Noncontrolling interests	40.5	17.6	17.9	0.3
Goodwill, net	687.2	804.2	807.8	3.6	Total equity	1,993.8	2,222.2	2,286.9	64.7
Investment securities and other	544.8	602.3	623.9	21.6	Total liabilities and equity	3,321.7	3,549.2	3,621.0	71.8
Total noncurrent assets	1,832.5	2,041.8	2,074.8	33.0					
Total assets	3,321.7	3,549.2	3,621.0	71.8					

(yen)

Exchange Rates	Mar.2020	Mar.2021	Jun.2021	Change from Mar.2021
US\$/¥	¥109	¥111	¥111	-
€/¥	¥120	¥130	¥132	¥2

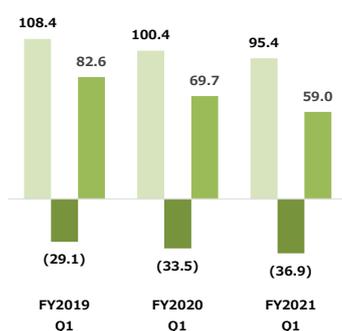
Now, let's take a look at the Balance Sheet.

Assets as of the end of June 2021 totaled ¥3,621.0 billion, which was ¥71.8 billion higher than at the end of March 2021, due to such factors as an increase in cash and cash equivalents.

Total liabilities increased by ¥7.1 billion to ¥1,334.1 billion.
FUJIFILM Holdings shareholders' equity increased by ¥64.4 billion to ¥2,269.0 billion.

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

(Billions of yen)



(Billions of yen)

	FY2019 Q1	FY2020 Q1	FY2021 Q1
Net income	18.8	27.7	58.3
Depreciation & amortization	30.0	29.9	31.3
Change in notes and accounts receivable	85.9	97.9	72.1
Change in inventories	(30.4)	(45.5)	(39.6)
Change in notes and accounts payable - trade	(8.9)	(16.6)	5.1
Others	13.0	7.0	(31.8)
C/F from operating activities	108.4	100.4	95.4
Capital expenditure	(18.5)	(23.0)	(27.5)
Purchases of software	(3.8)	(3.8)	(7.0)
Sales and purchases of marketable and investment securities	(3.3)	(2.8)	(0.5)
Acquisitions of businesses	0.0	0.0	0.0
Others	(3.5)	(3.9)	(1.9)
C/F from investing activities	(29.1)	(33.5)	(36.9)
Free cash flows	79.3	66.9	58.5
Free cash flows without acquisitions of businesses and others *	82.6	69.7	59.0

Let's move on to cash flow.

Net cash provided by operating activities totaled ¥95.4 billion, mainly due to a decrease in notes and accounts receivable.

Net cash used in investing activities amounted to ¥36.9 billion, mainly due to capital expenditure. As a result, free cash flow excluding business acquisitions and similar was ¥59.0 billion.

As announced in our medium-term management plan VISION 2023, in addition to boosting revenue and operating income, we will strengthen cash generation capacity by improving ROIC and CCC and generate operating cash flow of ¥1 trillion over the three year period between FY2021 and FY2023.

In particular, we will place more importance on ROIC, which shows management efficiency in terms of effective use of invested capital, and preferentially allocate generated cash to growth investment.

This concludes the overview of the company's performance for the first quarter of the fiscal year ending March 2022.



Forecast for FY2021

Consolidated Financial Forecast for FY2021 (as of August 13, 2021)

(Billions of yen)

	FY2020	FY2021 (Previous forecast)	FY2021	Change	Change from previous forecast	
Revenue	2,192.5 100.0%	2,440.0 100.0%	2,500.0 100.0%	307.5 +14.0%	60.0 +2.5%	
Operating Income	165.5 7.5%	180.0 7.4%	200.0 8.0%	34.5 +20.9%	20.0 +11.1%	
Income before Income Taxes	235.9 10.8%	185.0 7.6%	220.0 8.8%	-15.9 -6.7%	35.0 18.9%	
Net Income Attributable to FUJIFILM Holdings	181.2 8.3%	130.0 5.3%	160.0 6.4%	-21.2 -11.7%	30.0 +23.1%	
Net Income Attributable to FUJIFILM Holdings per Share	¥453.28	¥325.16	¥400.18	-¥53.10	¥75.02	
ROE	8.7%	6.2%	7.1%	-1.6%	+0.9%	
ROIC	4.3%	4.6%	4.9%	+0.6%	+0.3%	
CCC	123 days	124 days	124 days	+1 day	-	
Exchange Rates	US\$/¥	¥106	¥104	¥109	¥3	¥5
	€/¥	¥124	¥124	¥132	¥8	¥8
Silver Price (/kg)	¥74,000	¥84,000	¥95,000	+¥21,000	+¥11,000	

*FY2021: Exchange rate sensitivity for operating income US\$/¥: 0.3 billion yen €/¥: 0.8 billion yen

Moving on to the forecast for the fiscal year ending March 2022.

As we mentioned at the beginning, forecast for revenue and profits for the fiscal year ending March 2022 has been revised upward reflecting strong first-quarter performance.

**Financial Forecast for FY2021 by
Operating Segments (As of August 13, 2021)**

(Billions of yen)

Revenue	FY2021 (Previous forecast)	FY2021	Change from previous forecast
Healthcare	750.0	770.0	20.0
Materials	600.0	620.0	20.0
Business Innovation	800.0	800.0	0.0
Imaging	290.0	310.0	20.0
Total	2,440.0	2,500.0	60.0

Operating Income	FY2021 (Previous forecast)	FY2021	Change from previous forecast
Healthcare	70.0	78.0	8.0
Materials	56.0	62.0	6.0
Business Innovation	75.0	75.0	0.0
Imaging	16.0	22.0	6.0
Corporate Expenses & Eliminations	(37.0)	(37.0)	0.0
Total	180.0	200.0	20.0

Financial forecast by operating segments is as shown here.

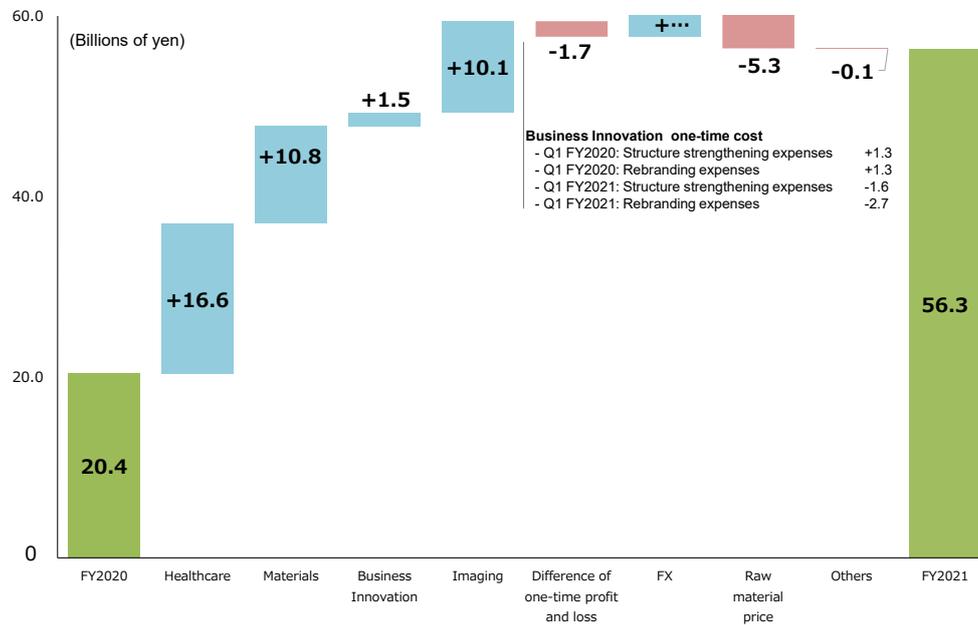
Under the COVID-19 pandemic situation in Japan and Southeast Asia, financial forecast for the Business Innovation segment remains unchanged, but we revised those for the Healthcare, Materials, and Imaging segments upward.

This concludes our presentation.

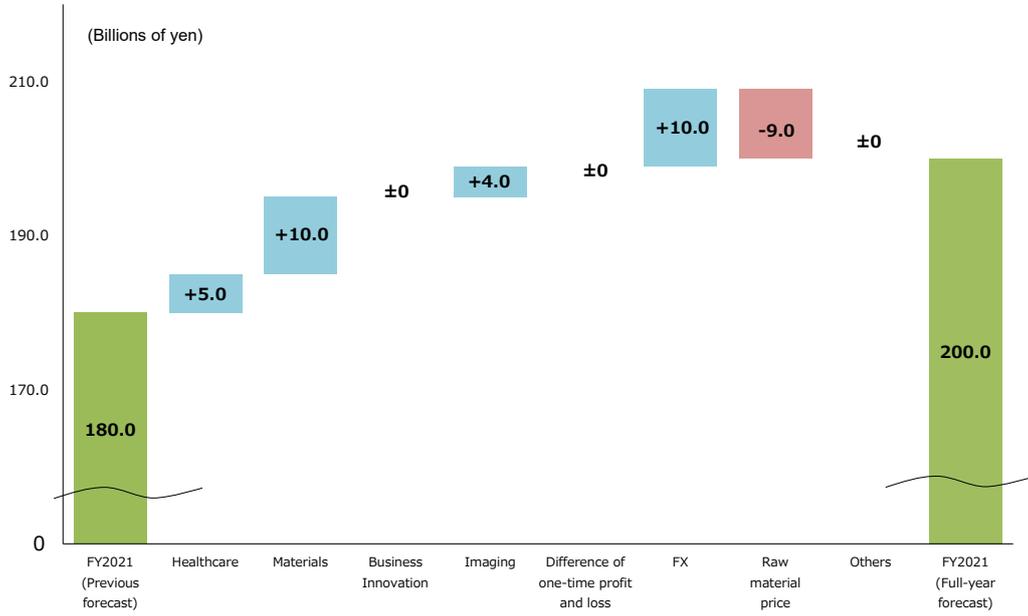


Appendices

Analysis of Operating Income Change (Q1, against Q1 FY2020)



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



(Billions of yen)

Revenue	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Medical Systems	68.4	114.2	45.8 (+67.1%)	42.0 (+61.5%)
Bio CDMO	19.6	33.9	14.3 (+72.5%)	13.2 (+67.1%)
Life Sciences	22.2	26.1	3.9 (+17.5%)	3.6 (+16.1%)
Total	110.2	174.2	64.0 (+58.0%)	58.8 (+53.3%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Healthcare	4.4 [3.9%]	20.7 [11.9%]	16.3 (4.7 times)	15.5 (4.6 times)

(Billions of yen)

Revenue	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Electronic Materials	29.0	33.7	4.7 (+16.1%)	3.6 (+12.3%)
Display Materials	20.7	24.8	4.1 (+19.6%)	4.0 (+19.0%)
Other Highly Functional Materials	20.7	23.8	3.1 (+15.6%)	2.6 (+13.2%)
Graphic Communication	57.0	67.5	10.5 (+18.5%)	7.7 (+13.8%)
Total	127.4	149.8	22.4 (+17.7%)	17.9 (+14.2%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Materials	13.1 [10.3%]	21.3 [14.2%]	8.2 (+62.9%)	7.6 (+58.4%)

(Billions of yen)

Revenue	Q1				
	FY2020	FY2021	Change		Constant-currency basis
Office Solutions	116.4	127.6	11.2	(+9.5%)	7.0 (+5.9%)
Business Solutions	52.5	58.5	6.0	(+11.5%)	4.0 (+7.7%)
Total	168.9	186.1	17.2	(+10.2%)	11.0 (+6.5%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q1				
	FY2020	FY2021	Change		Constant-currency basis
Business Innovation	13.4 [7.9%]	14.0 [7.5%]	0.6	(+4.5%)	(0.2) (-1.3%)

(Billions of yen)

Revenue	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Consumer Imaging	27.8	44.9	17.1 (+61.0%)	14.9 (+53.0%)
Professional Imaging	22.0	27.7	5.7 (+26.1%)	4.1 (+18.9%)
Total	49.8	72.6	22.8 (+45.6%)	19.0 (+38.0%)

Note: After elimination of intersegment transactions

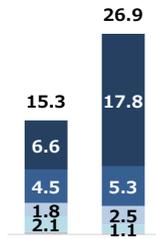
(Billions of yen)

Operating Income [Operating Margin]	Q1			
	FY2020	FY2021	Change	Constant-currency basis
Imaging	(3.0) [(0.6%)]	8.0 [11.0%]	11.0 Turned to the black	9.1 Turned to the black

(Billions of yen)

	Q1 FY2020		Q1 FY2021		Change	
	Ratio (%)		Ratio (%)			
Japan	44.5%	202.9	38.2%	222.4	19.5	(+9.6%)
The Americas	17.2%	78.4	21.1%	122.9	44.5	(+56.7%)
Europe	10.8%	49.6	12.5%	73.0	23.4	(+47.2%)
China	15.0%	68.4	14.2%	83.1	14.7	(+21.5%)
Asia and others	27.5%	125.4	28.2%	164.4	39.0	(+31.2%)
Overseas	55.5%	253.4	61.8%	360.3	106.9	(+42.2%)
Consolidated total	100.0%	456.3	100.0%	582.7	126.4	(+27.7%)

Capital Expenditure (Tangible fixed assets) (Q1)



FY2020 FY2021

Depreciation & Amortization (Q1)



FY2020 FY2021

- Healthcare
- Materials
- Business Innovation
- Imaging
- Corporate

(Billions of yen)

	Q1		Full Year	
	FY2020	FY2021	FY2020	FY2021 (forecast)
Healthcare	6.6	17.8		
Materials	4.5	5.3		
Document	1.8	2.5		
Imaging	2.1	1.1		
Corporate	0.3	0.2		
Capex(Tangible fixed assets)	15.3	26.9	100.9	200.0
Healthcare	1.7	2.8		
Materials	0.9	1.0		
Document	3.1	5.2		
Imaging	1.1	1.2		
Corporate	0.4	0.7		
Capex(rental equipment)	7.2	10.9	44.4	60.0
Healthcare	9.7	10.0		
Materials	7.4	7.7		
Document	8.6	9.3		
Imaging	3.6	3.6		
Corporate	0.6	0.7		
Depreciation& Amortization	29.9	31.3	123.4	140.0

R&D Expenses (Q1)



■ Healthcare
 ■ Materials
 ■ Business Innovation
■ Imaging
 ■ Corporate

(Billions of yen)

	Q1		Full Year	
	FY2020	FY2021	FY2020	FY2021 (forecast)
Healthcare	9.6	10.9		
Materials	9.1	10.0		
Business Innovation	9.0	9.0		
Imaging	2.5	2.1		
Corporate	6.2	5.2		
R&D Expenses	36.4	37.2	152.2	160.0
<ratio to revenue>	8.0%	6.4%	6.9%	6.4%
SG&A Expenses	130.6	159.2	552.0	
<ratio to revenue>	28.6%	27.3%	25.3%	

Exchange Rates

(yen)

	FY2020					FY2021	
	Q1	Q2	Q3	Q4	Full Year	Q1	Full Year
US\$/¥	108	106	105	106	106	109	109
€/¥	119	124	125	128	124	132	132

Raw Material Prices (Average)

(¥1,000/kg)

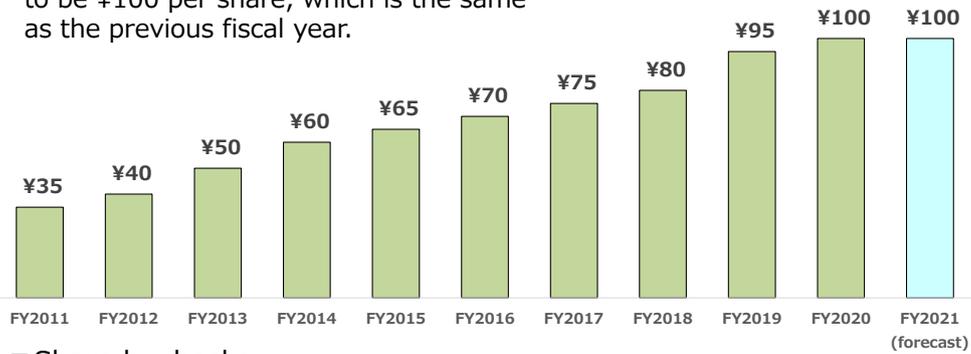
	FY2020					FY2021	
	Q1	Q2	Q3	Q4	Full Year	Q1	Full Year
Silver	55	78	83	91	74	93	95

Number of Employees

	Jun.2020	Sep.2020	Dec.2020	Mar.2021	Jun.2021
Consolidated Total	73,569	72,176	71,474	73,275	75,879

■ Dividend

Annual dividend for FY2021 is expected to be ¥100 per share, which is the same as the previous fiscal year.



■ Share buybacks

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

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
	Functional recovery after stroke (Promoting the effect of rehabilitation)		U.S.A.	P II
			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
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	Approved
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

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

[FUJIFILM Holdings Integrated Report 2020](https://ir.fujifilm.com/en/investors/ir-materials/integrated-report.html)

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

[IR Events Materials](https://ir.fujifilm.com/en/investors/ir-materials/presentations.html)

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

[Business Activities of FUJIFILM Group](https://ir.fujifilm.com/en/investors/value/business.html)

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

[Global Branding Campaign: NEVER STOP](https://brand.fujifilm.com/neverstop/en/)

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

[Fujifilm’s Response to the COVID-19 Pandemic](https://brand.fujifilm.com/covid19/)

<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>