

# Earnings Presentation Financial Results for Q3 FY2021

February 9, 2022  
**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 Financial Results for Q3 FY2021

- 1 | Earnings Highlights and Key Points for Q3 FY2021**  
Teiichi Goto, President and CEO, Representative Director,  
FUJIFILM Holdings Corporation
- 2 | Financial Results for Q3 FY2021 and Business Summary by Operating Segment**  
Masayuki Higuchi, CFO, Director and Corporate Vice President,  
FUJIFILM Holdings Corporation
- 3 | Financial Forecast for FY2021**  
Masayuki Higuchi, CFO, Director and Corporate Vice President,  
FUJIFILM Holdings Corporation

# 1. Earnings Highlights and Key Points for Q3 FY2021

# Earnings Highlights for Q3 FY2021

## Consolidated Performance for Q1-Q3 (9 Months) FY2021

(Billions of yen)

	FY2021 9 months	Change from FY2020	Change from FY2019
Revenue	1,860.9	+18.3%	+7.7%
Operating Income	Record high 186.5	+54.8%	+23.0%
Net Income Attributable to FUJIFILM Holdings	Record high 157.1	+24.2%	+30.2%

- ▶ **Revenue and profits rose significantly**, driven by steady recovery from COVID-19 impact and strong sales in the healthcare, electronic materials and imaging businesses.
- ▶ **Achieved highest-ever operating income and quarterly net income attributable to FUJIFILM Holdings** reflecting revenue increases in all segments.

## Full-year Forecast for FY2021

(Billions of yen)

	Previous Forecast (announced on Nov. 4, 2022)	Revised Forecast (announced on Feb. 9, 2022)	Change	Segment Breakdown
Revenue	2,510.0	Record high 2,510.0		- Business Innovation -10.0, Imaging +10.0
Operating Income	220.0	Record high 225.0	+5.0	Business Innovation -3.0, Imaging +8.0
Net Income Attributable to FUJIFILM Holdings	175.0	Record high 185.0	+10.0	

- ▶ **Operating income and net income attributable to FUJIFILM Holdings were revised upward** after reflecting Q3 performance.
- ▶ We aim to achieve **record-high operating income and net income attributable to FUJIFILM holdings**.

4

Revenue amounted to ¥1,860.9 billion and operating income rose to a record high of ¥186.5 billion.

Revenue and profits rose significantly year-over-year, driven by steady recovery from the impact of the COVID-19 pandemic in the previous year and strong sales in the healthcare, electronic materials, and imaging businesses. Revenue and profits were higher even compared to FY2019, prior to the outbreak of the COVID-19 pandemic, which means that each business succeeded in boosting performance by taking preemptive measures based on the respective situations.

As in the first half, net income attributable to FUJIFILM holdings rose to a record high of ¥157.1 billion for the first nine months on contributions from valuation gains on investment securities and other non-operating items, in addition to record-high operating income reflecting revenue increases in all segments.

Full-year forecast has been revised upward reflecting Q3 performance, with operating income revised upward by ¥5.0 billion to a record high of ¥225.0 billion, and net income attributable to FUJIFILM Holdings revised upward by ¥10.0 billion to a record high of ¥185.0 billion.

# Key Points for Q3 FY2021

## Bio CDMO Business

- **Acquisition of a cell therapy manufacturing facility from Atara Biotherapeutics, Inc.**

Making full-scale inroads into the cell therapy contract development and manufacturing business, one of cutting-edge therapy fields.

Main advantages to be realized through the acquisition:

- (1) Comprehensive contract services in the cell therapy field
- (2) Contract development and manufacturing of cell therapies meeting diverse cellular needs
- (3) Stronger contract service structure for advanced therapies

## Life Sciences Business

- **Launch of a new manufacturing facility for cell culture media in Europe**

We will establish a tri-polar global production structure based in Japan, the U.S. and Europe to strengthen support for customers' drug discovery / pharmaceutical manufacturing.

- **Establishment of "Innovation & Collaboration Center," a site offering services for optimizing cell culture media, in China**

We will provide strong support for customers' drug discovery / pharmaceutical manufacturing using optimized cell culture media based on local needs to expand the cell culture media business in China.

### **Launch of corporate venture capital LS-CVC in the life sciences field**

We have established a pool of capital to invest in global bio-ventures that have cutting-edge technologies.

Through strategic alliances with investee companies, we will further strengthen the life sciences business and create new businesses.

**We will accelerate business growth by incorporating the strategic LS-CVC into in-house business development.**

5

I will now explain the performance highlights for the third quarter.

First, about a new acquisition in the bio CDMO business. On January 27, we announced the acquisition of a cell therapy manufacturing facility in California from Atara Biotherapeutics, Inc, a bio-venture in the U.S., for approximately US\$100 million.

There are three main advantages to be realized through this acquisition:

First is the establishment of comprehensive contract services in the cell therapy field including everything from process development to investigational drug manufacturing and commercial production. Second is the expansion of contract development and manufacturing services for cell therapies, in addition to existing services for iPS cells, by meeting diverse cellular needs of our customers, including autologous / allogeneic cells. Third is the strengthening of the contract service structure for cutting-edge therapies through the addition of the new site in California to existing gene therapy CDMO sites in U.K. and Texas and Boston of the U.S.

Through this acquisition, we will make full-scale inroads into the cell therapy contract business and expand the biopharmaceutical contract development and manufacturing business.

Next, we move on to the life sciences business. In December, a new state-of-the-art manufacturing facility for cell culture media started full-scale operation in the Netherlands. We will expand our production capacity through the launch of the new facility and establish a tri-polar production structure based in Japan, the U.S. and Europe to reinforce support for customers' drug discovery and manufacturing.

To expand the cell culture media business in China, we established the "Innovation & Collaboration Center" in Suzhou New District to quickly grasp customer needs in the Chinese market and offer services for optimizing cell culture media. Full-scale sales activity will start in April.

With our Group's accumulated technology and expertise, we will accelerate global expansion by developing high-quality and advanced cell culture media to meet the growing development needs.

Additionally, to further enhance our in-house business development, we will launch LS-CVC, a corporate venture capital in the life sciences field. The LS-CVC will provide ¥7.0 billion over the course of five years to make aggressive investment in bio-ventures that have cutting-edge technologies. In addition to in-house business development, we will accelerate growth in the life sciences field by cooperating with alliances with venture companies through the LS-CVC.

# Key Points for Q3 FY2021

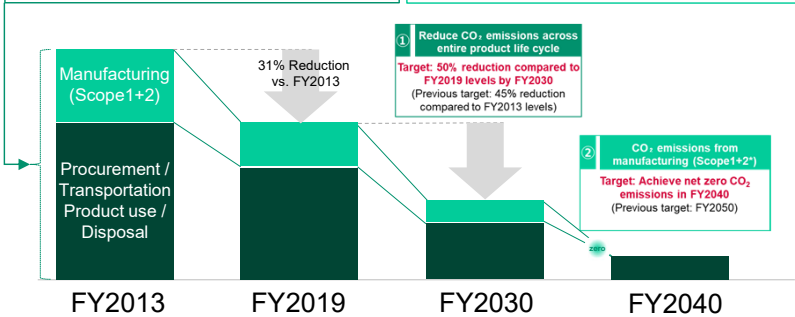
## New Environmental Strategy Accelerate decarbonization under “Green Value Climate Strategy.”

### 1. Raising decarbonization targets

① Reduce CO <sub>2</sub> emissions across entire product life cycle	② CO <sub>2</sub> emissions from manufacturing (Scope1+2*)
<b>Target: 50% reduction compared to FY2019 levels by FY2030</b> (Previous target: 45% reduction compared to FY2013 levels)	<b>Target: Achieve net zero CO<sub>2</sub> emissions in FY2040</b> (Previous target: FY2050)

### 2. New environmental strategy “Green Value Climate Strategy”

- (1) Manufacturing with a lower environmental impact (Green Value Manufacturing)
- (2) Creation / promotion of products and services with excellent environmental performance (Green Value Products)
- (3) Adopting business-specific targets in line with new environmental strategy
- (4) Introducing internal carbon pricing



\*Scope 1: Direct emission of greenhouse gases (during fuel combustion, industrial processes) by the business operator  
 Scope 2: Indirect emissions through the use of electricity and heat/steam supplied by other companies

Next, let's look at the environmental strategy.

With the aim of realizing a decarbonized society, we set a new target for reducing CO<sub>2</sub> emissions to align with the Paris Agreement goal of 1.5° degrees Celsius. Under the new target, CO<sub>2</sub> emissions across the entire life cycle of our products, from procurement, manufacturing, transportation, product use to disposal, will be reduced to 50% of FY2019 levels by FY2030. Further, we will achieve net-zero CO<sub>2</sub> emissions from energy consumed in-house by FY2040, 10 years earlier than our previous target of FY2050.

To achieve these targets, the Fujifilm Group's new environmental strategy “Green Value Climate Strategy” was established. We will promote “Green Value Manufacturing” productive activities with low environmental impact, and also creation and expansion of “Green Value Products” and services that have excellent environmental performance. While setting business-specific targets in line with the new environmental strategy, we will achieve new targets by officially incorporating internal carbon pricing into investment decisions.

Thank you. That is all from me.

## 2. Financial Results for Q3 FY2021 and Business Summary by Operating Segment

## Financial Results for Q3 FY2021 (9 months)

FUJIFILM

(Billions of yen)

	9 months				
	FY2020	FY2021	Change	Impact of exchange rate	Constant-currency basis
Revenue	1,573.4 100.0%	<b>1,860.9</b> <b>100.0%</b>	287.5 +18.3%	66.1	221.4 +14.1%
Operating Income	120.5 7.7%	<b>Record high</b> <b>186.5</b> <b>10.0%</b>	66.0 +54.8%	17.2	48.8 +40.5%
Income before Income Taxes	174.8 11.1%	<b>Record high</b> <b>207.2</b> <b>11.1%</b>	32.4 +18.5%	23.3	9.1 +5.2%
Net Income Attributable to FUJIFILM Holdings	126.5 8.0%	<b>Record high</b> <b>157.1</b> <b>8.4%</b>	30.6 +24.2%	16.2	14.4 +11.4%
Net Income Attributable to FUJIFILM Holdings per Share	¥316.42	<b>¥392.40</b>	¥75.98	Other change factors (YoY): Impact of raw materials prices on operating income: -¥13.8 billion	
Exchange Rates	US\$/¥ €/¥	¥106 ¥123	¥5 ¥8		

8

Moving to the details of performance for the first three quarters of the fiscal year ending March 2022.

Revenue rose 18.3% year-over-year to ¥1,860.9 billion, driven by revenue increases in all segments, and operating income rose 54.8% year-over-year, to a record high of ¥186.5 billion.

As in the first half, net income attributable to FUJIFILM holdings rose to a record high of ¥157.1 billion for the first nine months on contributions from valuation gains on investment securities and other non-operating items, in addition to record-high operating income reflecting revenue increases in all segments.



# Revenue and Operating Income by Operating Segment FUJIFILM

(Billions of yen)

Revenue	9 months		Change		Constant-currency basis	
	FY2020	FY2021				
Healthcare	388.1	<b>576.7</b>	188.6	(+48.6%)	168.2	(+43.3%)
Materials	417.3	<b>464.9</b>	47.6	(+11.4%)	31.1	(+7.5%)
Business Innovation	549.4	<b>559.1</b>	9.7	(+1.8%)	(5.7)	(-1.0%)
Imaging	218.6	<b>260.2</b>	41.6	(+19.0%)	27.8	(+12.7%)
Total	1,573.4	<b>1,860.9</b>	287.5	(+18.3%)	221.4	(+14.1%)

Note: After elimination of intersegment transactions

(Billions of yen)

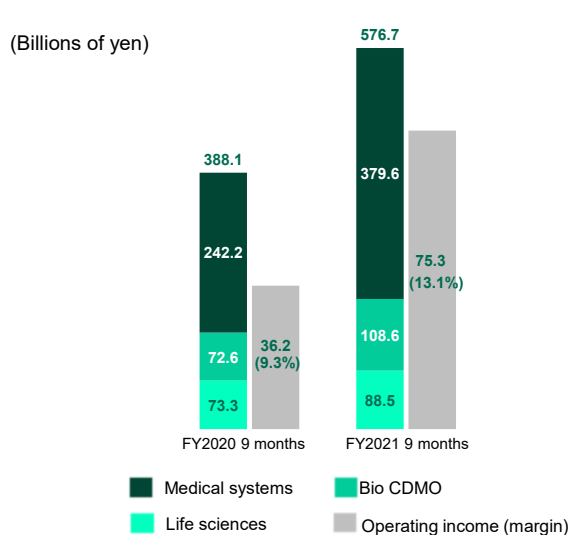
Operating Income	9 months		Change		Constant-currency basis	
	FY2020	FY2021				
Healthcare	36.2	<b>75.3</b>	39.1	(2.1 times)	33.8	(+93.3%)
Materials	45.9	<b>57.9</b>	12.0	(+25.9%)	7.9	(+17.0%)
Business Innovation	46.7	<b>42.2</b>	(4.5)	(-9.6%)	(6.9)	(-14.7%)
Imaging	14.1	<b>34.7</b>	20.6	(2.5 times)	14.9	(2.1 times)
Corporate Expenses & Eliminations	(22.4)	<b>(23.6)</b>	(1.2)	-	(0.9)	-
Total	120.5	<b>186.5</b>	66.0	(+54.8%)	48.8	(+40.5%)

9

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

## Business Summary: Healthcare

**Significant year-over-year increase of 48.6% in revenue and a 2.1 times increase in operating income contributed by the consolidation of FUJIFILM Healthcare in the medical systems business in addition to organic growth in all sub-segments.**



### Medical systems: Revenue ¥379.6 billion (up 56.7% YoY)

- In addition to turning FUJIFILM Healthcare into a consolidated subsidiary, steady demand for ultraportable digital X-ray imaging systems and ultrasound diagnostic devices, both useful for pneumonia diagnosis, and strong sales of endoscopes contributed to a surge in revenue.
- PMI is progressing well, such as the integration of manufacturing subsidiaries in Japan and sales subsidiaries in the U.S. of both Fujifilm and FUJIFILM Healthcare

### Bio CDMO: Revenue ¥108.6 billion (up 49.7% 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 ¥88.5 billion (up 20.7% 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 the *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 (iPS cells, cell 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 48.6% year-over-year increase in revenue to ¥576.7 billion and 25.9% year-over-year increase in operating income to ¥75.3 billion.

In the medical systems business, in addition to turning FUJIFILM Healthcare into a consolidated subsidiary, steady demand for ultraportable digital X-ray imaging systems and ultrasound diagnostic devices, both useful for pneumonia diagnosis, and strong sales of endoscopes led to a surge in revenue. Post merger integration is progressing well, such as the integration of manufacturing subsidiaries in Japan and sales subsidiaries in the U.S. of both Fujifilm and FUJIFILM Healthcare.

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

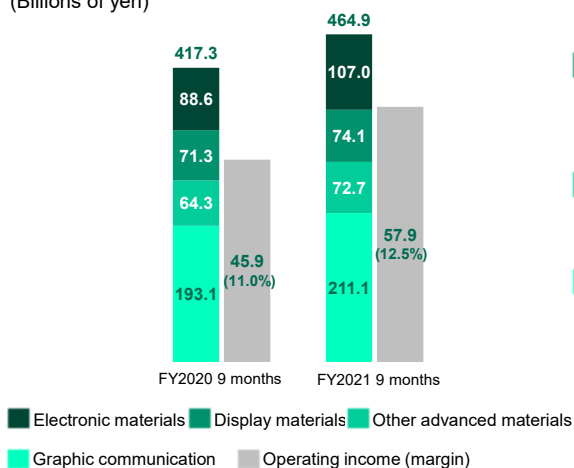
In the life sciences business, revenue increased due to solid sales of cell culture media by U.S. subsidiary FUJIFILM Irvine Scientific for use in biopharmaceutical manufacturing.

In the consumer healthcare business, revenue climbed, driven by favorable sales of the *MetabARRIER EX* and other supplements and steady sales of new cosmetic products.

## Business Summary: Materials

**Significant year-over-year increase of 11.4% in revenue and 25.9% in operating income contributed by the growth in the electronic materials business resulting from brisk demand for semiconductors in addition to steady recovery from COVID-19 impact.**

(Billions of yen)



- Electronic materials: Revenue ¥107.0 billion (up 20.8% YoY)**
    - Revenue soared as sales of a wide range of products, such as photo resist, CMP slurries, post CMP cleaner and polyimide, fared well in line with the growing demand for semiconductors.
  - Display materials: Revenue ¥74.1 billion (up 4.0% YoY)**
    - Revenue increased due to strong sales of various advanced films resulting from steady demand for smartphones as well as a rise in demand for monitors, tablets and TVs amid the COVID-19 pandemic.
  - Other advanced materials\*: Revenue ¥72.7 billion (up 13.2% YoY)**
    - In the recording media business, revenue climbed in line with a recovering trend in demand for tapes for data archiving, which had fallen amid the COVID-19 pandemic.
  - Graphic communication: Revenue ¥211.1 billion (up 9.3% YoY)**
    - In the graphic communication business, revenue rose due to a recovery in sales of printing plates from COVID-19 impact and the launch of the Jet Press 750S High Speed Model in November 2021 in the digital printing field.
    - In the inkjet business, steady sales of industrial inkjet printheads reflecting growing demand in Europe and China led to higher revenue.
- \*Other advanced materials: Disclosure segment consisting of industrial products business, fine chemicals business and recording media business.

Moving on to the performance of the Materials segment.

In addition to a steady recovery from the impact of the COVID-19 pandemic, growth in the electronic materials business in tandem with brisk demand for semiconductors boosted revenue by 11.4% year-over-year to ¥464.9 billion and operating income by 25.9% to ¥57.9 billion.

In the electronic materials business, revenue rose as sales of a wide range of products, such as photo resist, CMP slurries, post CMP cleaner and polyimide, fared well in line with growing demand for semiconductors.

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

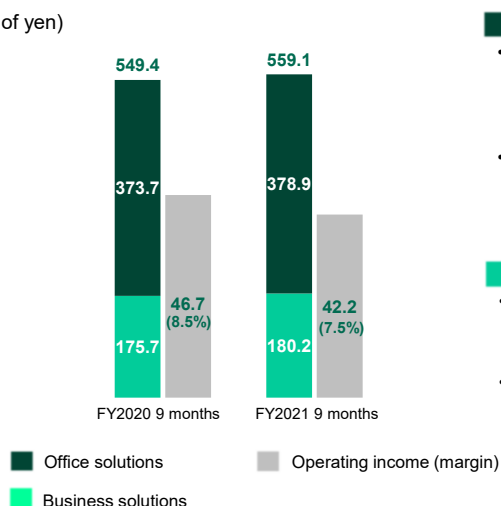
In the graphic communication business, revenue rose due to a recovery in sales of printing plates from the impact of the COVID-19 pandemic and the launch of *Jet Press 750S* High Speed Model in November 2021 in the digital printing field.

In the inkjet business, sales of industrial inkjet printheads were steady, reflecting growing demand in the construction material printing markets in Europe and China. 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.

## Business Summary: Business Innovation

- Higher sales of office solutions and business solutions drove revenue up 1.8% year-over-year.
- Operating income fell 9.6% year-over-year due to higher costs of parts, including semiconductors.
- Launched the FUJIFILM brand office products in a new market.

(Billions of yen)



### Office solutions: Revenue ¥378.9 billion (up 1.4% YoY)

- Revenue rose YoY as the impact of delays in equipment supply / installation in the office product field, stemming from lockdowns in the Asia-Pacific region and tight supply of semiconductors and other parts, was covered by a recovery in non-hardware sales and impact of exchange rates.
- As part of our efforts to expand sales channels by using Fujifilm's overseas sites and major sales agencies, we launched sales of office products in a new market in 3Q. We plan to expand global business by developing new markets in Europe, the Middle East, and Central and South America in addition to new OEM supply partnerships.

### Business solutions: Revenue ¥180.2 billion (up 2.6% YoY)

- Revenue climbed due to an increase in business with municipalities in Japan and sales expansion of the BPO (Business Process Outsourcing) business mainly overseas.
- On January 1, 2022, the acquisition of HOYA Digital Solutions Corporation was completed, and started business operations as FUJIFILM Digital Solutions Co., Ltd. We will further accelerate growth of the business solutions business by continuing to offer new solutions and services to support customers' DX, including marketing and implementation support of ERP (enterprise resource planning) systems by the new company.

12

Moving on to the performance of the Business Innovation segment.

Revenue rose 1.8% year-over-year to ¥559.1 billion as a result of higher sales of office and business solutions.

Operating income decreased 9.6% year-over-year to ¥42.2 billion, hit by higher costs of semiconductors and other parts.

In the office solution business, revenue rose as the impact of delays in equipment supply / installations in the office product field, stemming from lockdowns in the Asia-Pacific region and tight supply of semiconductors and other parts, was covered by a recovery in non-hardware revenue and exchange rate impact.

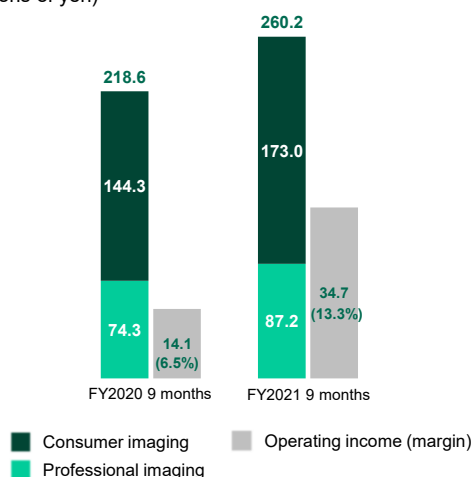
As part of our efforts to expand sales channels by using Fujifilm's overseas sites and major sales agencies, we launched sales of office products in a new market in the third quarter. We plan to expand global business by developing new markets in Europe, the Middle East, and Central and South America, in addition to new OEM supply partnerships.

In the business solutions business, revenue climbed year-on-year due to an increase in business with municipalities in Japan and steady performance of the BPO (Business Process Outsourcing) business mainly overseas. On January 1, 2022, the acquisition of HOYA Digital Solutions Corporation was completed, and started business operations as FUJIFILM Digital Solutions Co., Ltd. We will further accelerate growth of the business solutions business by continuing to offer new solutions and services that support customers' DX, including marketing and implementation support of ERP (enterprise resource planning system) by the new company.

## Business Summary: Imaging

Performance rose sharply as revenue surged 19.0% year-over-year and operating income increased by 2.5 times year-over-year. This was due to strong sales of newly launched instant photo systems and digital cameras, in addition to a steady sales recovery of color photographic paper as well as broadcast and cinema lens from COVID-19 impact.

(Billions of yen)



### Consumer imaging: Revenue ¥173.0 billion (up 19.8% YoY)

- In addition to the recovery from COVID-19 impact, revenues surged YoY on solid sales of instant photo systems and dry minilabs / materials for retailers in the U.S.
- New products launched in 2021 include the *instax mini 40* in April, the *instax Link WIDE* smartphone printer for use with wide-format film in October and a flagship model *instax mini Evo* in December. All new products were well received in the market and boosted sales.

### Professional imaging: Revenue ¥87.2 billion (up 17.4% YoY)

- Sales of the large-format mirrorless digital camera *FUJIFILM GFX100S* fared well as it gained a high reputation in the market for realizing the highest resolution of about 100 million pixels. Additionally, the *FUJIFILM GFX50S II* equipped with 50 million-pixel image sensor was released as a brother model in September 2021, which resulted in the GFX user base expansion.
- In November 2021, we launched the *FUJIFILM X-T30 II* mirrorless digital camera, the latest model of the *X Series*, which delivers premium image quality despite being compact and lightweight.
- 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.

As a result of strong sales of new instant photo systems and digital cameras, which were launched in succession, and also the steady sales recovery of color photographic paper and broadcast and cinema lens from the impact of the COVID-19 pandemic, revenues increased by 19.0% year-over-year to ¥260.2 billion, and operating income increased 2.5 times year-over-year to ¥34.7 billion.

In the consumer imaging field, steady sales of instant photo systems and dry minilabs/ materials for retailers in the U.S. drove revenue higher. New products launched in 2021 include the *instax mini 40*, the *instax series'* new entry-model, which supports the mini-format film in April, the *instax Link WIDE* smartphone printer, which supports wide-format film, in October and a flagship model *instax mini Evo* in December. All new products were well received in the market and boosted sales.

In the professional imaging field, new digital cameras all gained a high reputation and sales remained strong, including the large-format mirrorless digital camera *FUJIFILM GFX100S*, which realized the highest resolution of 100 million pixels, the *FUJIFILM GFX50S II*, equipped with 50 million-pixel image sensor, released in September 2021 as a brother model, and the *FUJIFILM X-T30 II* mirrorless camera, which is the latest model from *the X Series* released in November 2021. Revenue was significantly higher than the previous year as sales of broadcast and cinema lenses, which had been hit by a decline in demand due to the COVID-19 pandemic, turned upward, and sales of lenses in the monitoring / measurement field, including long-range surveillance cameras and machine vision lenses, fared well.

# Consolidated Balance Sheet

FUJIFILM

(Billions of yen)

	Mar. 2020	Mar. 2021	Dec. 2021	Change from Mar. 2021		Mar. 2020	Mar. 2021	Dec. 2021	Change from Mar. 2021
Cash and cash equivalents	396.1	394.8	425.0	30.2	Short-term and long-term debt	624.2	503.0	472.7	(30.3)
Notes and accounts receivable	558.4	605.7	579.5	(26.2)	Notes and accounts payable	222.3	239.9	258.3	18.4
Inventories	380.9	417.7	486.9	69.2	Other liabilities	481.4	584.1	593.3	9.2
Other current assets	153.8	89.2	133.4	44.2	<b>Total liabilities</b>	<b>1,327.9</b>	<b>1,327.0</b>	<b>1,324.3</b>	<b>(2.7)</b>
<b>Total current assets</b>	<b>1,489.2</b>	<b>1,507.4</b>	<b>1,624.8</b>	<b>117.4</b>	Total FUJIFILM Holdings shareholders' equity	1,953.3	2,204.6	2,382.4	177.8
Property, plant and equipment	600.5	635.3	674.4	39.1	Noncontrolling interests	40.5	17.6	19.3	1.7
Goodwill, net	687.2	804.2	788.4	(15.8)	<b>Total equity</b>	<b>1,993.8</b>	<b>2,222.2</b>	<b>2,401.7</b>	<b>179.5</b>
Investment securities and other	544.8	602.3	638.4	36.1	<b>Total liabilities and equity</b>	<b>3,321.7</b>	<b>3,549.2</b>	<b>3,726.0</b>	<b>176.8</b>
<b>Total noncurrent assets</b>	<b>1,832.5</b>	<b>2,041.8</b>	<b>2,101.2</b>	<b>59.4</b>					
<b>Total assets</b>	<b>3,321.7</b>	<b>3,549.2</b>	<b>3,726.0</b>	<b>176.8</b>					

	Mar. 2020	Mar. 2021	Dec. 2021	Change from Mar. 2021
Exchange Rates				
US\$/¥	¥109	¥111	¥115	¥4
€/¥	¥120	¥130	¥131	¥1

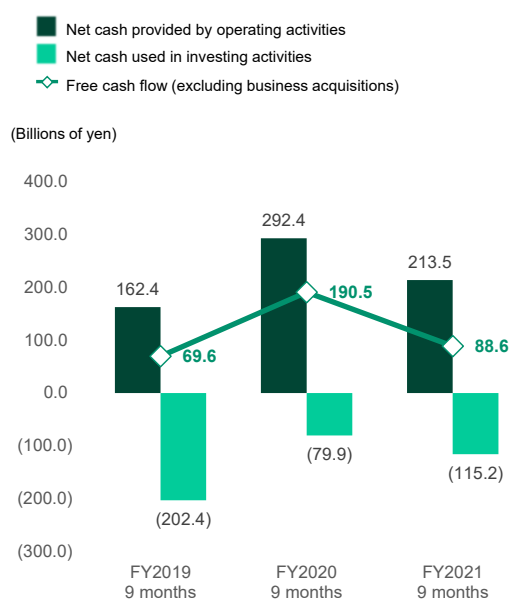
14

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

Assets as of the end of December 2021 totaled ¥3,726.0 billion, which was ¥176.8 billion higher than at the end of March 2021, due to such factors as an increase in cash and cash equivalents.

Total liabilities decreased by ¥2.7 billion to ¥1,324.3 billion. FUJIFILM Holdings shareholders' equity increased by ¥177.8 billion compared with the end of the previous fiscal year to ¥2,382.4 billion.

# Consolidated Cash Flow



	(Billions of yen)		
	FY2019 9 months	FY2020 9 months	FY2021 9 months
<b>Net income</b>	<b>133.5</b>	<b>127.8</b>	<b>160.4</b>
Depreciation & amortization	91.8	90.9	97.7
Change in notes and accounts receivable	43.5	37.2	35.4
Change in inventories	(38.2)	(29.9)	(66.1)
Change in notes and accounts payable - trade	6.5	(10.4)	7.9
Others	(74.7)	76.8	(21.8)
<b>C/F from operating activities</b>	<b>162.4</b>	<b>292.4</b>	<b>213.5</b>
Capital expenditure	(64.8)	(72.9)	(90.9)
Purchases of software	(15.2)	(15.4)	(27.0)
Sales and purchases of marketable and investment securities	(3.7)	22.0	9.7
Acquisitions of businesses	(105.9)	0.0	0.0
Others	(12.8)	(13.6)	(7.0)
<b>C/F from investing activities</b>	<b>(202.4)</b>	<b>(79.9)</b>	<b>(115.2)</b>
<b>Free cash flows</b>	<b>(40.0)</b>	<b>212.5</b>	<b>98.3</b>
<b>Free cash flows without acquisitions of businesses and others *</b>	<b>69.6</b>	<b>190.5</b>	<b>88.6</b>

\*Business acquisitions, sale/purchase of marketable and investment securities are deducted from free cash flow.

Let's move on to cash flow.

Net cash provided by operating activities totaled ¥213.5 billion, mainly due to a decrease in notes and accounts receivable.

Net cash used in investing activities amounted to ¥115.2 billion, mainly due to capital expenditure.

As a result, free cash flow excluding business acquisitions and similar was ¥88.6 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 ¥1.0 trillion over a 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 three quarters of the fiscal year ending March 2022.

## 3. Consolidated Financial Forecast for FY2021



## FY2021 Financial Forecast (as of February 9, 2022)

FUJIFILM

(Billions of yen)

	FY2020	FY2021 Previous forecast (announced on Nov. 4, 2021)	FY2021 Revised forecast (announced on Feb. 9, 2022)	Change	Change from previous forecast
<b>Revenue</b>	2,192.5 100.0%	2,510.0 100.0%	<b>2,510.0</b> 100.0%	317.5 +14.5%	- -
<b>Operating Income</b>	165.5 7.5%	220.0 8.8%	<b>225.0</b> 9.0%	59.5 +36.0%	5.0 +2.3%
<b>Income before Income Taxes</b>	235.9 10.8%	240.0 9.6%	<b>245.0</b> 9.8%	9.1 +3.9%	5.0 2.1%
<b>Net Income Attributable to FUJIFILM Holdings</b>	181.2 8.3%	175.0 7.0%	<b>185.0</b> 7.4%	3.8 +2.1%	10.0 +5.7%
<b>Net Income Attributable to FUJIFILM Holdings per Share</b>	¥453.28	¥436.65	<b>¥461.60</b>	¥8.32	¥24.95
<b>ROE</b>	8.7%	7.7%	<b>8.1%</b>	(0.6%)	+0.4%
<b>ROIC</b>	4.3%	5.3%	<b>5.6%</b>	+1.3%	+0.3%
<b>CCC</b>	123 days	120 days	<b>120 days</b>	(3 days)	-
<b>Exchange Rates</b>					
<b>US\$/¥</b>	¥106	¥109	<b>¥112</b>	¥6	¥3
<b>€/¥</b>	¥124	¥132	<b>¥130</b>	¥6	(¥2)
<b>Silver Price (/kg)</b>	¥74,000	¥93,000	<b>¥89,000</b>	¥15,000	(¥4,000)

17

As we mentioned at the beginning, profit forecast for the fiscal year ending March 2022 has been revised upward reflecting Q3 performance .

We aim to achieve record-high operating income, net income before income taxes and net income attributable to FUJIFILM Holdings .

## FY2021 Forecast by Operating Segment (as of February 9, 2022)

FUJIFILM

(Billions of yen)

Revenue	FY2021 Previous forecast (announced on Nov. 4, 2021)	FY2021 Revised forecast (announced on Feb. 9, 2022)	Change from previous forecast
Healthcare	790.0	<b>790.0</b>	0.0
Materials	620.0	<b>620.0</b>	0.0
Business Innovation	780.0	<b>770.0</b>	(10.0)
Imaging	320.0	<b>330.0</b>	10.0
Total	2,510.0	<b>2,510.0</b>	0.0

Operating Income	FY2021 Previous forecast (announced on Nov. 4, 2021)	FY2021 Revised forecast (announced on Feb. 9, 2022)	Change from previous forecast
Healthcare	100.0	<b>100.0</b>	0.0
Materials	63.0	<b>63.0</b>	0.0
Business Innovation	70.0	<b>67.0</b>	(3.0)
Imaging	25.0	<b>33.0</b>	8.0
Corporate Expenses & Eliminations	(38.0)	<b>(38.0)</b>	0.0
Total	220.0	<b>225.0</b>	5.0

18

Financial forecast by operating segments is as shown here.

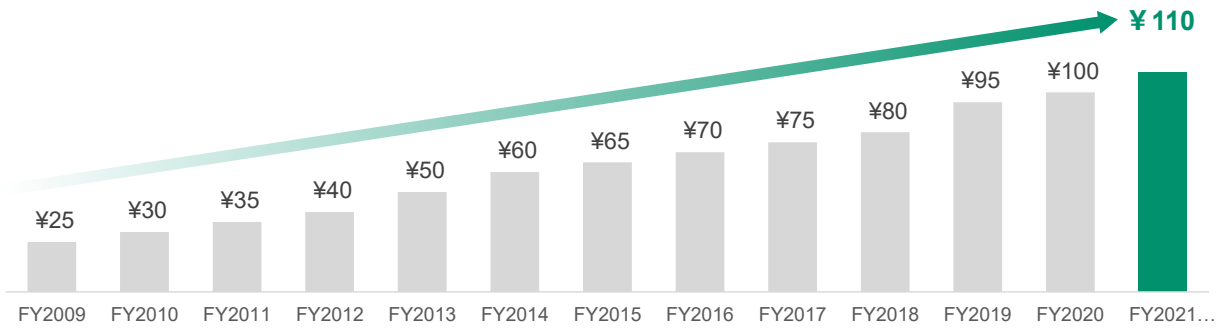
Overall revenue for the Company has not been changed, but the revenue forecast for the Imaging segment has been revised upward by ¥10.0 billion reflecting strong sales of instant photo systems and digital cameras, and that for the Business Innovation segment has been revised downward by ¥10.0 billion reflecting tight supply of semiconductors and other parts.

Also, overall operating income for the Company has been revised upward by ¥5.0 billion after reviewing the segment breakdown.

# Shareholder Returns

## Dividends

▶ Annual dividends for FY2021 are planned at ¥110 per share, marking the 12th consecutive annual increase.



## Share buybacks

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

As announced at the first-half earnings release on November 4, 2021, annual dividend forecast will be raised to ¥110, marking the 12th consecutive annual increase.

Thank you. That's all from me.

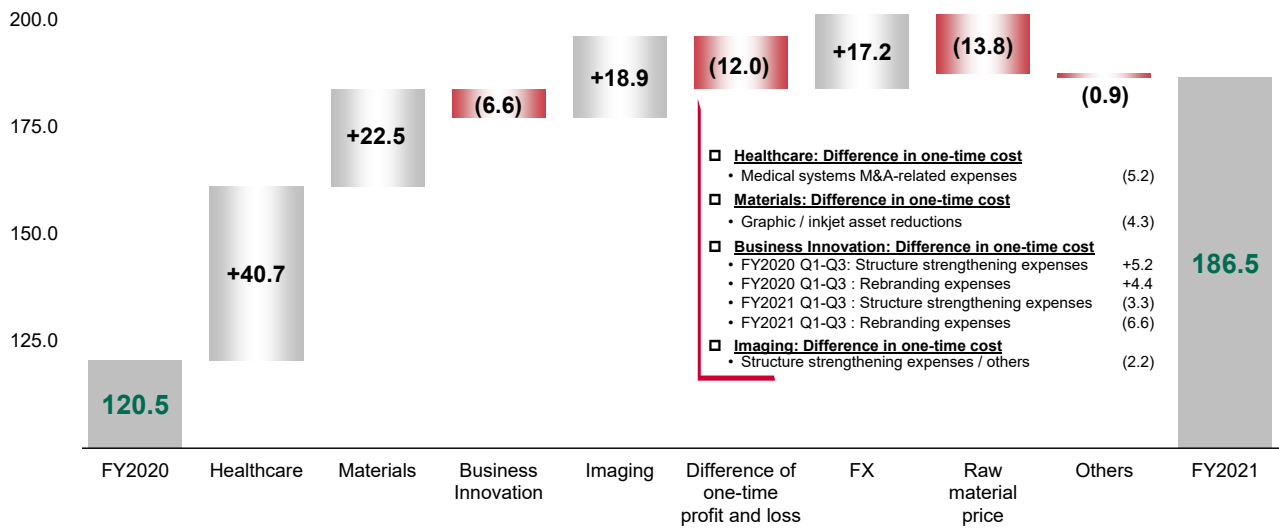


# Appendix

---

# Operating Income Analysis (FY2021 1Q-3Q vs FY2020 1Q-3Q)

(Billions of yen)



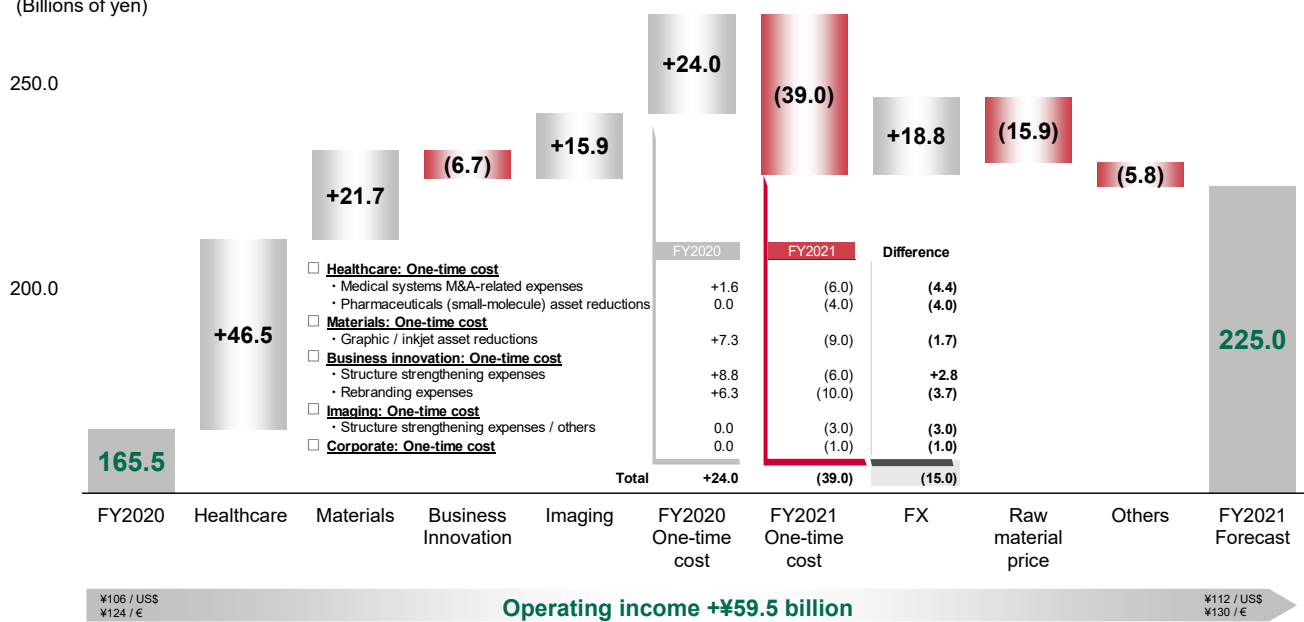
¥106 / US\$  
¥123 / €

Operating income +¥66.0 billion

¥111 / US\$  
¥131 / €

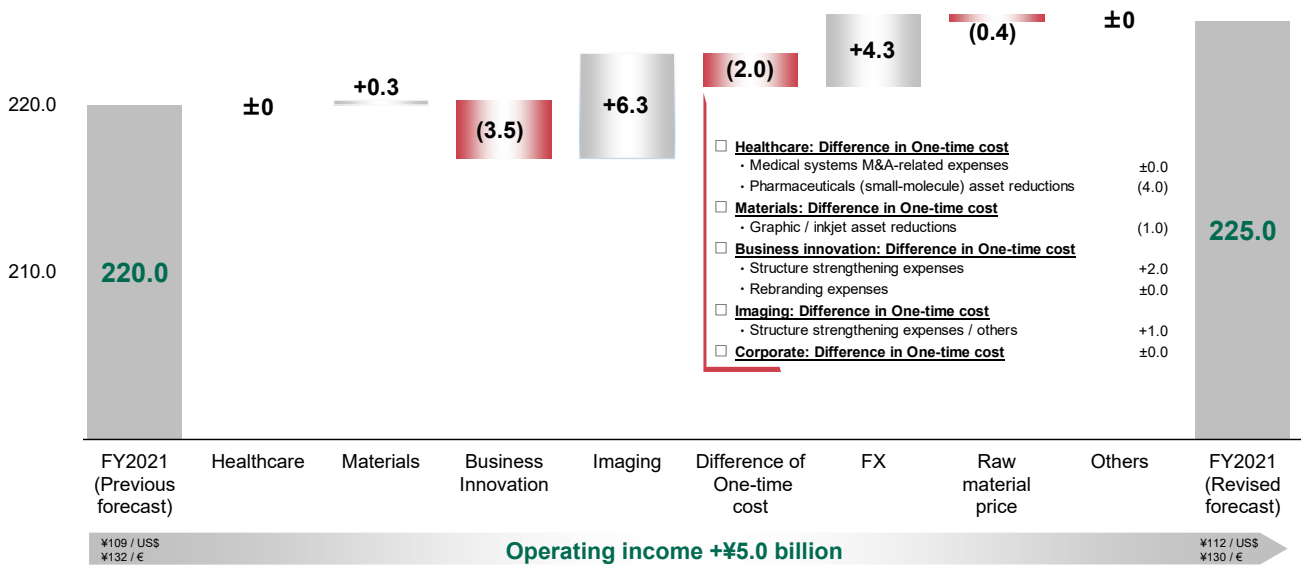
# Operating Income Analysis (FY2021 Full-year forecast vs FY2020 Actual)

(Billions of yen)



# Operating Income Analysis (FY2021 Revised forecast vs Previous forecast) **FUJIFILM**

(Billions of yen)



# Earnings for Q3 and 9 Months FY2021

FUJIFILM

(Billions of yen)

	Q3			9 months				
	FY2020	FY2021	Change	FY2020	FY2021	Change	Impact of exchange rate	Constant-currency basis
Revenue	576.0 100.0%	<b>655.8</b> <b>100.0%</b>	79.8 +13.8%	1,573.4 100.0%	<b>1,860.9</b> <b>100.0%</b>	287.5 +18.3%	66.1	221.4 +14.1%
Operating Income	64.0 11.1%	<b>78.6</b> <b>12.0%</b>	14.6 +22.8%	120.5 7.7%	<b>186.5</b> <b>10.0%</b>	66.0 +54.8%	17.2	48.8 +40.5%
Income before Income Taxes	75.2 13.1%	<b>77.3</b> <b>11.8%</b>	2.1 +2.8%	174.8 11.1%	<b>207.2</b> <b>11.1%</b>	32.4 +18.5%	23.3	9.1 +5.2%
Net Income Attributable to FUJIFILM Holdings	58.9 10.2%	<b>60.8</b> <b>9.3%</b>	1.9 +3.3%	126.5 8.0%	<b>157.1</b> <b>8.4%</b>	30.6 +24.2%	16.2	14.4 +11.4%
Exchange Rates	US\$/¥ ¥105	<b>¥114</b>	¥9	¥106	<b>¥111</b>	¥5		
	€/¥ ¥125	<b>¥130</b>	¥5	¥123	<b>¥131</b>	¥8		

Other change factor (Q3 / 9 months YoY):

Impact of raw materials prices on operating income: -¥4.9 billion / -¥13.8 billion



# Earnings for Q3 and 9 Months FY2021

FUJIFILM

(Billions of yen)

Revenue	Q3			9 months		
	FY2020	FY2021	Change	FY2020	FY2021	Change
Healthcare	140.0	201.1	61.1 (+43.6%)	388.1	576.7	188.6 (+48.6%)
Materials	146.1	158.5	12.4 (+8.5%)	417.3	464.9	47.6 (+11.4%)
Business Innovation	185.2	184.3	(0.9) (-0.4%)	549.4	559.1	9.7 (+1.8%)
Imaging	104.7	111.9	7.2 (+6.8%)	218.6	260.2	41.6 (+19.0%)
Total	576.0	655.8	79.8 (+13.8%)	1,573.4	1,860.9	287.5 (+18.3%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3			9 months		
	FY2020	FY2021	Change	FY2020	FY2021	Change
Healthcare	17.6 [12.6%]	28.3 [14.1%]	10.7 (+60.9%)	36.2 [9.3%]	75.3 [13.1%]	39.1 (2.1 times)
Materials	19.2 [13.2%]	18.7 [11.8%]	(0.5) (-2.9%)	45.9 [11.0%]	57.9 [12.5%]	12.0 (+25.9%)
Business Innovation	17.9 [9.7%]	16.7 [9.0%]	(1.2) (-6.9%)	46.7 [8.5%]	42.2 [7.5%]	(4.5) (-9.6%)
Imaging	16.2 [15.5%]	22.3 [19.9%]	6.1 (+37.0%)	14.1 [6.5%]	34.7 [13.3%]	20.6 (2.5times)
Corporate Expenses & Eliminations	(6.9)	(7.4)	(0.5) -	(22.4)	(23.6)	(1.2) -
Total	64.0 [11.1%]	78.6 [12.0%]	14.6 (+22.8%)	120.5 [7.7%]	186.5 [10.0%]	66.0 (+54.8%)

# Q3 and 9 Months Earnings: Healthcare

(Billions of yen)

Revenue	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Medical Systems	88.1	134.8	46.7	(+52.8%)	41.2	(+46.4%)	242.2	379.6	137.4	(+56.7%)	124.5	(+51.4%)
Bio CDMO	25.5	37.4	11.9	(+47.4%)	8.8	(+35.4%)	72.6	108.6	36.0	(+49.7%)	30.3	(+41.9%)
Life Sciences	26.4	28.9	2.5	(+9.2%)	1.5	(+5.6%)	73.3	88.5	15.2	(+20.7%)	13.4	(+18.2%)
Total	140.0	201.1	61.1	(+43.6%)	51.5	(+36.7%)	388.1	576.7	188.6	(+48.6%)	168.2	(+43.3%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Healthcare	17.6 [12.6%]	28.3 [14.1%]	10.7	(+60.9%)	7.7	(+43.5%)	36.2 [9.3%]	75.3 [13.1%]	39.1	(2.1 times)	33.8	(+93.3%)

## Q3 and 9 Months Earnings: Materials

FUJIFILM

(Billions of yen)

Revenue	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Electronic Materials	30.5	37.7	7.2	(+23.6%)	4.7	(+15.1%)	88.6	107.0	18.4	(+20.8%)	13.1	(+14.8%)
Display Materials	27.1	23.7	(3.4)	(12.4%)	(3.5)	(12.7%)	71.3	74.1	2.8	(+4.0%)	2.5	(+3.6%)
Other Advanced Materials	21.9	24.5	2.6	(+11.7%)	1.4	(+6.2%)	64.3	72.7	8.4	(+13.2%)	6.1	(+9.4%)
Graphic Communication	66.6	72.6	6.0	(+9.0%)	2.6	(+3.7%)	193.1	211.1	18.0	(+9.3%)	9.4	(+4.8%)
Total	146.1	158.5	12.4	(+8.5%)	5.2	(+3.4%)	417.3	464.9	47.6	(+11.4%)	31.1	(+7.5%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Materials	19.2 [13.2%]	18.7 [11.8%]	(0.5)	(2.9%)	(2.5)	(13.4%)	45.9 [11.0%]	57.9 [12.5%]	12.0	(+25.9%)	7.9	(+17.0%)

# Q3 and 9 Months Earnings: Business Innovation

FUJIFILM

(Billions of yen)

Revenue	Q3						9 months					
	FY2020	FY2021	Change		Constant-currency basis		FY2020	FY2021	Change		Constant-currency basis	
Office Solutions	125.7	123.8	(1.9)	(1.4%)	(5.7)	(4.3%)	373.7	378.9	5.2	(+1.4%)	(6.0)	(1.6%)
Business Solutions	59.5	60.5	1.0	(+1.6%)	(0.4)	(0.8%)	175.7	180.2	4.5	(+2.6%)	0.3	(+0.1%)
Total	185.2	184.3	(0.9)	(0.4%)	(6.1)	(3.2%)	549.4	559.1	9.7	(+1.8%)	(5.7)	(1.0%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3						9 months					
	FY2020	FY2021	Change		Constant-currency basis		FY2020	FY2021	Change		Constant-currency basis	
Business Innovation	17.9 [9.7%]	16.7 [9.0%]	(1.2)	(6.9%)	(1.2)	(6.8%)	46.7 [8.5%]	42.2 [7.5%]	(4.5)	(9.6%)	(6.9)	(14.7%)

# Q3 and 9 Months Earnings: Imaging

FUJIFILM

(Billions of yen)

Revenue	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Consumer Imaging	76.0	79.0	3.0	(+3.7%)	(1.9)	(2.6%)	144.3	173.0	28.7	(+19.8%)	19.4	(+13.4%)
Professional Imaging	28.7	32.9	4.2	(+14.9%)	2.4	(+8.5%)	74.3	87.2	12.9	(+17.4%)	8.4	(+11.3%)
Total	104.7	111.9	7.2	(+6.8%)	0.5	(+0.5%)	218.6	260.2	41.6	(+19.0%)	27.8	(+12.7%)

Note: After elimination of intersegment transactions

(Billions of yen)

Operating Income [Operating Margin]	Q3					9 months						
	FY2020	FY2021	Change		Constant-currency basis	FY2020	FY2021	Change		Constant-currency basis		
Imaging	16.2 [15.5%]	22.3 [19.9%]	6.1	(+37.0%)	3.8	(+23.3%)	14.1 [6.5%]	34.7 [13.3%]	20.6	(2.5 times)	14.9	(2.1 times)

## Consolidated Revenue by Geographical Area

FUJIFILM

(Billions of yen)

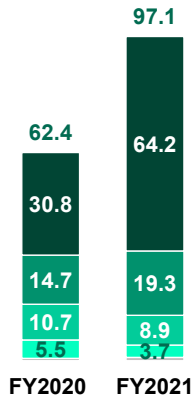
	FY2020 9 months		FY2021 9 months		Change	
	Ratio (%)		Ratio (%)			
Japan	41.7%	656.7	38.2%	710.4	53.7	(+8.2%)
The Americas	18.9%	298.0	21.2%	394.9	96.9	(+32.5%)
Europe	12.3%	192.3	13.3%	248.2	55.9	(+29.1%)
China	14.0%	220.0	13.9%	258.4	38.4	(+17.5%)
Asia and others	27.1%	426.4	27.3%	507.4	81.0	(+19.0%)
Overseas	58.3%	916.7	61.8%	1,150.5	233.8	(+25.5%)
Consolidated total	100.0%	1,573.4	100.0%	1,860.9	287.5	(+18.3%)

30

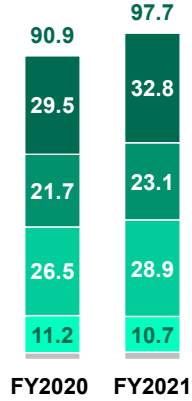
# Capital Expenditure: Depreciation & Amortization

(Billions of yen)

Capital Expenditure  
(Tangible fixed assets)  
9 months



Depreciation & Amortization  
9 months



- Healthcare
- Business Innovation
- Corporate

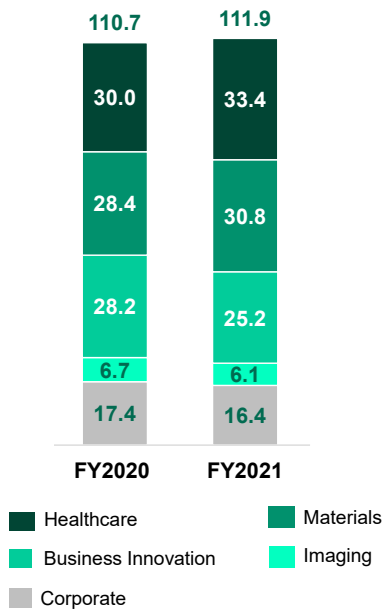
- Materials
- Imaging

(Billions of yen)

	Q3		9 months		Full Year	
	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021 (Forecast)
Healthcare	13.5	23.7	30.8	64.2		
Materials	4.7	7.4	14.7	19.3		
Business Innovation	4.8	3.1	10.7	8.9		
Imaging	1.3	1.0	5.5	3.7		
Corporate	0.2	0.4	0.7	1.0		
<b>Capex (Tangible fixed assets)</b>	<b>24.5</b>	<b>35.6</b>	<b>62.4</b>	<b>97.1</b>	<b>100.9</b>	<b>170.0</b>
Healthcare	2.5	1.9	6.9	7.4		
Materials	1.0	1.5	3.1	4.3		
Business Innovation	3.9	7.0	11.6	19.5		
Imaging	1.5	0.8	4.5	3.7		
Corporate	0.4	0.1	1.1	1.8		
<b>Capex (rental equipment)</b>	<b>9.3</b>	<b>11.3</b>	<b>27.2</b>	<b>36.7</b>	<b>44.4</b>	<b>60.0</b>
Healthcare	9.9	11.0	29.5	32.8		
Materials	7.2	7.9	21.7	23.1		
Business Innovation	9.1	9.6	26.5	28.9		
Imaging	3.9	3.5	11.2	10.7		
Corporate	0.7	0.7	2.0	2.2		
<b>Depreciation &amp; Amortization</b>	<b>30.8</b>	<b>32.7</b>	<b>90.9</b>	<b>97.7</b>	<b>123.4</b>	<b>135.0</b>

# R&D Expenses: SG&A Expenses

(Billions of yen)



(Billions of yen)

	Q3		9 months		Full Year	
	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021 (Forecast)
Healthcare	9.9	10.7	30.0	33.4		
Materials	9.9	10.3	28.4	30.8		
Business Innovation	9.3	7.9	28.2	25.2		
Imaging	2.1	2.0	6.7	6.1		
Corporate	5.1	5.2	17.4	16.4		
<b>R&amp;D Expenses</b>	<b>36.3</b>	<b>36.1</b>	<b>110.7</b>	<b>111.9</b>	<b>152.2</b>	<b>160.0</b>
<Ratio to revenue>	6.3%	5.5%	7.0%	6.0%	6.9%	6.4%
<b>SG&amp;A Expenses</b>	<b>153.4</b>	<b>163.4</b>	<b>419.7</b>	<b>486.1</b>	<b>552.0</b>	
<Ratio to revenue>	26.6%	24.9%	26.7%	26.2%	25.3%	



## Market Trend and Number of Employees

FUJIFILM

### Exchange Rates

(Yen)

	FY2020						FY2021				
	Q1	Q2	Q3	9M	Q4	Full Year	Q1	Q2	Q3	9M	Full Year (Forecast)
US\$/¥	108	106	105	106	106	106	109	111	114	111	112
€/¥	119	124	125	123	128	124	132	130	130	131	130

### Raw Material Prices (Average)

(¥1,000/kg)

	FY2020						FY2021				
	Q1	Q2	Q3	9M	Q4	Full Year	Q1	Q2	Q3	9M	Full Year (Forecast)
Silver	55	78	83	70	91	74	93	86	86	89	89

### Number of Employees

	Sep. 2020	Dec. 2020	Mar. 2021	Jun. 2021	Sep. 2021	Dec. 2021
Consolidated Total	72,176	71,474	73,275	75,879	75,007	74,842

33

# Pipeline (as of February 9, 2022)

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
	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	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	Approved

## Reference

**FUJIFILM Holdings - Investor Relations**

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

**FUJIFILM Holdings Integrated Reports**

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

**IR Events Materials**

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

**Business Activities of the 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 Division

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

---