

April 27, 2012

FUJIFILM Holdings Corporation

FY2012/3 Performance Explanation Briefing

Main Questions and Answers

Q1: What is the forecast for sales in the digital camera business and the flat panel display (FPD) materials business in FY2013/3?

A1: We sold 11.7 million digital cameras in FY2012/3, and our target for unit sales in FY2013/3 is 12.3 million. Thus, we will increase unit sales. Moreover, we will focus on sales of the X-series, which includes high-value-added models.

Regarding sales in the FPD materials business, now we are facing a difficult operating environment where demand for LCD TVs is quite low. Once this situation improves, we expect sales in the FPD business will also grow.

Q2: Please explain the reason why the stock balance increased in the balance sheet at the end of FY2012/3. Will the stock balance be maintained at a high level? Moreover, accounts receivable have also increased. Can you explain why in detail?

A2: Stock at the end of FY2012/3 is for driving sales in each division in FY2013/3. The level of stock will be reduced by sales activities. Regarding accounts receivable, they were generated mostly by the medical system business. Usually, sales of the medical system business are quite high at the end of a fiscal year, and this case was much more remarkable this year.

Q3: Regarding the document solutions business, in which area among the overseas, domestic, and export markets do you expect sales will grow in FY2013/3?

A3: We expect 5% growth in revenues of the document solutions business in FY2013/3, compared with the previous year. We think sales in the domestic market will grow. Furthermore, double-digit growth in sales in the emerging markets, such as China, is expected.

Q4: Please explain your estimation of the Company's free cash flow and for what purposes it will be used in FY2013/3.

A4: We estimate net income of ¥65 billion in FY2013/3 and a positive free cash flow. Regarding the amount of investments we intend to make, capital investment and depreciation will be at about the same levels, compared with the previous year.

We are budgeting around ¥50 billion – ¥100 billion for M&A, but we will use it only in the case where the validity and the effectiveness of the investment has been confirmed. We planned M&A investment mainly for the health care business.

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