

FUJIFILM Holdings Corporation

Shigetaka Komori

President and Chief Executive Officer

April 28, 2008

URL: <http://www.fujifilmholdings.com/>

Financial Results (Consolidated) for the Fiscal Year ended March 31, 2008

Date of regular shareholders' meeting: June 27, 2008

Projected date of the beginning of cash dividends: June 30, 2008

Projected date of annual securities report: June 30, 2008

(Consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.)

1. Results of the Fiscal Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen
%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
Year ended March 31, 2008	2,846,828	2.3	207,342	83.4	199,342	93.0	104,431	203.2
Year ended March 31, 2007	2,782,526	4.3	113,062	60.5	103,264	29.7	34,446	(6.9)

	Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)	Ratio of Net Income to Shareholders' Equity	Ratio of Income before Income Taxes to Total Assets	Ratio of Operating income to Revenue
	Yen	Yen	%	%	%
Year ended March 31, 2008	205.43	193.56	5.4	6.1	7.3
Year ended March 31, 2007	67.46	65.04	1.7	3.3	4.1

(Ref) Equity in net earnings of affiliated companies (including unconsolidated subsidiaries)

Year ended March 31, 2008: ¥2,706 million Year ended March 31, 2007: ¥3,358 million

(2) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity per Share of Common Stock
			%	Yen
As of March 31, 2008	3,266,384	1,922,353	58.9	3,811.19
As of March 31, 2007	3,319,102	1,976,508	59.5	3,867.04

(3) CASH FLOWS

	Net Cash provided by Operating Activities	Net Cash used in Investing Activities	Net Cash provided by (used in) Financing Activities	Cash and Cash Equivalents at the end of year
Year ended March 31, 2008	298,110	(259,715)	(72,308)	330,926
Year ended March 31, 2007	297,276	(298,001)	158,287	384,719

2. Cash Dividends

	1 st Quarter	Interim	3 rd Quarter	Year End	Year Total	Total cash dividends	Consolidated Pay out Ratio	Ratio of Cash Dividends to Shareholder's Equity
	Yen	Yen	Yen	Yen	Yen		%	%
Year ended March 31, 2007	-	12.50	-	12.50	25.00	12,766	37.1	0.6
Year ended March 31, 2008	-	17.50	-	17.50	35.00	17,773	17.0	0.9
Year ended March 31, 2009 (Forecast)	-	17.50	-	17.50	35.00		16.0	

3. Forecast for the Fiscal Year ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

	Revenue		Operating Income		Income before Income Taxes		Net Income		Net income per share of Common stock
		%		%		%		%	Yen
For six months ending Sept. 30, 2008	1,400,000	(0.6)	95,000	(12.6)	95,000	(17.2)	50,000	(22.7)	99.13
For Year ending March 31, 2009	2,900,000	1.9	210,000	1.3	210,000	5.3	110,000	5.3	218.08

4. Other

- (1) Changes in status of material subsidiaries during the period (Companies newly consolidated or removed from consolidation): Yes
 Newly consolidated: 1 (Toyama Chemical Co., Ltd.)
 Removed: 1 (Fuji Xerox Printing Systems Co., Ltd.)
- (2) Changes to consolidated financial statement principles, preparation processes, disclosure methods, etc.
 (Description of changes to important items fundamental to financial statement preparation)
1. Changes accompanying amendment of accounting principles: Yes
 2. Other changes: None
- (3) Number of Shares Outstanding:
- | | | |
|---------------------------------------|--|--|
| 1. Issued (including treasury stock): | As of March 31, 2008: 514,625,728 | As of March 31, 2007: 514,625,728 |
| 2. Treasury stock, at cost: | As of March 31, 2008: 10,228,426 | As of March 31, 2007: 3,509,582 |
| 3. Average number of shares: | Year ended March 31, 2008: 508,354,176 | Year ended March 31, 2007: 510,620,624 |

(Reference) Summary of Financial Results (Non-Consolidated)

1. Results of the Fiscal Year ended March 31, 2008 (From April 1, 2007 to March 31, 2008)

(1) OPERATING RESULTS

(Figures are rounded down to the nearest million yen)

	Revenue	Operating Income	Ordinary Income	Net Income
	%	%	%	%
Year ended March 31, 2008	30,861 (92.0)	26,649 (41.9)	26,756 (57.9)	27,759 (27.7)
Year ended March 31, 2007	384,644 (48.6)	45,882 (26.1)	63,575 (24.4)	38,390 (11.5)

	Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)
	Yen	Yen
Year ended March 31, 2008	54.60	53.59
Year ended March 31, 2007	75.17	72.21

(2) FINANCIAL POSITION

	Total Assets	Net Assets	Net Asset Ratio to Total Assets	Net Assets Per Share of Common Stock
			%	Yen
As of March 31, 2008	1,780,271	1,562,911	87.8	3,096.49
As of March 31, 2007	1,815,292	1,586,939	87.4	3,104.58

Notice: Regarding Non-consolidated Performance

The Company shifted to a holding company structure on October 1, 2006. Because of this, non-consolidated performance of the year ended March 31, 2008 and the year ended March 31, 2007 are considerably different from each previous year.

Explanation of Appropriate Use of Forecast and Other Special Items

Forward-looking statements such as those relating to earnings forecasts and other projections contained in this report are management's current assumptions and beliefs based on information available at the time. 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.

1. OPERATING RESULTS

(1) Analysis of Results of Operations

During the first half of the fiscal year under review, the Japanese economy achieved gradual growth, reflecting the robustness of capital investments amid strong corporate performances. In the latter half of the year, however, the trend of economic recovery was clouded by sharp rises in the prices of crude oil and other raw materials along with the progressive appreciation of the yen. The U.S. economy was slightly weakened by such factors as the sub-prime loan crisis and other situations that led to a perception of deceleration in housing investment and personal consumption. European economies benefited from improvement in the employment environment and other trends, while Asian economies centered on China sustained a rapid rate of growth.

Regarding markets related to the operations of Fujifilm Holdings Corporation (“the Company”), the LCD market continued growing, and document solutions markets also grew, primarily overseas. On the other hand, the diffusion of digital cameras caused an additional decrease in global demand for color films.

Regarding consolidated revenue during the period under review (April 1, 2007, through March 31, 2008), despite a decrease in imaging solutions sales centered on sales of color films, a large increase was recorded in information solutions sales centered on sales of medical products and services, CTP plates, and flat panel display materials. Moreover, document solutions sales also grew, reflecting robust sales of digital multifunction devices centered on sales in overseas markets. The overall impact of exchange-rate trends was positive, as the yen appreciated against the U.S. dollar but depreciated against the euro compared with the previous fiscal year, and such positive factors boosted consolidated revenue, to ¥2,846.8 billion, a rise of 2.3% from the previous fiscal year. Domestic revenue amounted to ¥1,259.5 billion, down 3.4%, and overseas revenue totaled ¥1,587.3 billion, up 7.3%.

Operating income was negatively affected by such factors as the cost-boosting impact of a surge in prices of such principal raw materials as silver and aluminum, a rise in depreciation expense that accompanied the adoption of revised depreciation methods from the second quarter of the fiscal year, and the temporary costs associated with the implementation of “Slim and Strong Drive” measures. Together, these factors had the effect of reducing operating income by approximately ¥60.0 billion. However, these factors were more than offset by a rise in sales volume along with such factors as the benefits stemming from the concentrated implementation of structural reforms implemented through the fiscal year ended March 31, 2007, and the “Slim & Strong Drive” Groupwide cost reform program begun in the latter half of the fiscal year ended March 31, 2007. As a result, a large increase was achieved in operating income, which amounted to ¥207.3 billion, up 83.4% from the previous fiscal year. The levels of consolidated revenue and operating income for the period under review were both record high levels of performance.

Similarly, large gains were recorded in income before income taxes and net income. Income before income taxes increased to ¥199.3 billion, up 93.0% from the level in the previous fiscal year, and net income also rose greatly, up 203.2%, to ¥104.4 billion.

The effective currency exchange rates for the U.S. dollar and the euro against the yen during the fiscal year were ¥115 and ¥162, respectively.

The Company plans to distribute year-end cash dividends of ¥17.50 per share. As ¥17.50 per share interim cash dividends have already been distributed, cash dividends applicable to the fiscal year under review will total ¥35.00 per share.

Sales Trends and Business Development Measures in each Business Segment

Imaging Solutions

In the Imaging Solutions segment, Fujifilm’s sales of color paper grew, reflecting a rise in the Company’s market share and other factors. However, because of such factors as declining demand for color films and digital minilabs, consolidated revenue in the Imaging Solutions segment amounted to ¥547.1 billion, down 9.6% from the level in the previous fiscal year.

Color paper sales remained robust, reflecting market share growth in principal countries, a rise in prints of photos taken by digital cameras and camera phones, and the benefits of stepped-up digital camera print business marketing promotion campaigns aimed at stimulating demand for photo books and other high-value-added print products. In addition, Fujifilm acquired Germany-based IP Labs GmbH in January

2008 and will continue taking measures to expand and upgrade its print services with steps to strengthen its online photo services.

While continued shrinkage of the color film market reduced Fujifilm's sales of color film products, marketing promotion campaigns aimed at opportunities presented by the discontinuation of color film business by competing companies supported a rise in the Company's market share.

Regarding electronic imaging business, Fujifilm was able to increase its sales volume owing to its launch of such products as the FinePix F50fd compact digital camera, which features advanced Face Detection technology, and the FinePix Z10fd, with rounded-edge design that has helped make it highly popular, despite challenges stemming from a drop in prices amid intensifying specification-oriented competition and from the impact of the economic slowdown in North America. Fujifilm will continue striving to expand its sales centered on such highly innovative new products as the FinePix S100FS, which is able to express a rich range of color and light gradations, and the FinePix F100fd, which features Face Detection technology with an expanded face-detection scope.

Information Solutions

In the Information Solutions segment, consolidated revenue grew to ¥1,108.1 billion, up 8.0% from the previous fiscal year. This growth reflected such factors as higher sales of medical systems products and services centered on SYNAPSE medical-use picture archiving and communications systems, strong demand for FPD materials, and a positive trend in sales of optical devices centered on lens units for camera phones.

With respect to the medical systems/life sciences business, higher sales were recorded of such equipment and materials as FCR (Fuji Computed Radiography) and dry films, particularly in overseas markets. Amid the steadily growing use of IT related to medical facilities, sales of SYNAPSE medical-use picture archiving and communications systems also grew. Although endoscope product operations were conducted in a harsh environment owing to intensifying competition, Fujifilm is dynamically moving ahead with measures to expand endoscope sales by leveraging a lineup of highly distinctive products, including the Transnasal Endoscope and by reinforcing its marketing network in Japan and overseas. In addition, the Company advanced with moves to create comprehensive healthcare functions by supplementing the existing field related to "prevention" and "diagnosis" with the addition of the "treatment" field centered on Toyama Chemical Co., Ltd., which became our subsidiary in March 2008.

In graphic arts business, Fujifilm's efforts to augment its manufacturing capacity in response to the increasing demand in the newly industrialized countries and a progressive rise in use of CTP products helped support a continued rise in sales. In April 2007, Fujifilm initiated the North American marketing of industrial-use inkjet printers that are designed to use FUJIFILM Sericol's UV inks with outstanding weather-resistance characteristics and solvent inks. The Company is now expanding the scope of these printers' marketing to include Europe and Asia.

Regarding FPD materials, Fujifilm's sales of its mainstay FUJITAC and WV film products grew, supported by abundant demand in LCD markets. The Company also took steps to expand its manufacturing capacity for FUJITAC and value-added film for IPS-mode LCDs, including the start of operations of the No. 3 line at the No. 2 FUJITAC manufacturing plant of FUJIFILM Kyushu Co., Ltd., in August 2007 and the start of the No. 4 line at the plant in January 2008.

In recording media, Fujifilm recorded higher sales of its data cartridge products used for the IBM TotalStorage® Enterprise Tape Drive 3592 in the high-end enterprise data storage product market, although continued harsh price competition in the mid-range data storage media market somewhat weakened sales of the Company's products.

Regarding Fujifilm's office and industrial operations, in the field of optical devices, amid the trend of rising pixel counts and other sophisticated needs related to camera phones, Fujifilm's lens units for camera phones were highly evaluated in the market for their compactness, lightness, high image quality, and autofocus and zoom capabilities, and sales of these lens unit products grew.

Document Solutions

In the Document Solutions segment, the Company recorded higher sales of color digital multifunction devices and on-demand publishing systems, particularly in the Asia-Pacific region, including China, as well as robust exports of such products to Europe and North America. As a result, consolidated revenue in this segment rose 3.5% above the level in the previous fiscal year, to ¥1,191.6 billion.

Regarding the office product business, the Company recorded strong domestic sales of new models—including ApeosPort-III C3300/C2200 and DocuCentre-III C3300/C2200 color multifunction devices, which were launched at the end of November 2007 and incorporate a newly developed LED print-head system—but overall sales volume in Japan decreased slightly, owing to a decrease in domestic demand centered on monochrome models. Overseas, considerable increases in sales of color devices were recorded in the Asia-Pacific region, including China. Moreover, the volume of exports of color and monochrome models to Europe and North America grew substantially, due to a rise in exports to U.S.-based Xerox Corporation, which acquired GIS.

With respect to office printer operations, growth was achieved in domestic sales of our mainstay own brand office printers centered on such products as the DocuPrint C3050, and the product lineup was expanded with the launch of the DocuPrint C2250, a color laser printer that incorporates an LED print-head system. However, OEM sales decreased, owing to a decline in sales by OEM customers. Against the backdrop of continued growth in the markets of the Asia-Pacific region, including China, the Company increased its sales volume of both color and monochrome printers in that region.

In production services business, sales in Japan were slightly weak despite a rise in the sales volume of color on-demand publishing systems for the digital printing market, owing to such factors as a decrease in monochrome product sales and a decline in selling prices associated with the intensification of competition. Regarding export shipments to Xerox Corporation, sales of the entry-level DocuColor 5000 Digital Press were strong. In the Asia-Pacific region, including China, increases were achieved in the sales volume of color entry-level models and monochrome models.

In global services business, the Company sustained domestic and overseas growth in its consulting and document outsourcing business designed to help customers enhance their operational processes and execute a comprehensive range of document administration work.

Outlook for the Fiscal Year ending March 31, 2009

Looking at prospective trends in the Company's operating environment during the fiscal year ending March 31, 2009, in addition to a forecast of a deceleration of the U.S. economy following the emergence of the sub-prime loan crisis, we anticipate such factors as the progressive depreciation of the U.S. dollar and the appreciation of the yen, and the persistently high price levels of silver, aluminum, and other principal raw materials are expected to have the effect of reducing operating income by ¥45.0 billion from the fiscal year ended March 31, 2008.

Under this business environment, we intend to offset the abovementioned negative impact by implementing our "Slim & Strong Drive," which is our supreme project for cutting down on fixed costs, as well as by promoting sales of our competitive products centered on products in the information solutions and document solutions fields during the fiscal year ended March 31, 2009.

Consequently, regarding consolidated performance in the fiscal year ending March 31, 2009, the Company projects ¥2,900.0 billion in revenue (up 1.9% from the previous fiscal year), ¥210.0 billion in operating income (up 1.3%), ¥210.0 billion in income before income taxes (up 5.3%), and ¥110.0 billion in net income (up 5.3%). The targets for revenue, operating income, and income before income taxes represent the highest performance levels.

The projected currency exchange rates for the U.S. dollar and the euro against the yen during the fiscal year ending March 31, 2009 are ¥100 (up ¥15) and ¥155 (up ¥7), respectively.

Implementing the VISION75 (2007) Medium-Term Management Plan

Fujifilm is dynamically implementing its VISION75 medium-term management plan, which has the three fundamental strategies of “building new growth strategies,” “implementing comprehensive structural reforms at all management levels,” and “enhancing consolidated management.” During the period under review, in accordance with the main themes of VISION75 (2007)—“further promoting growth strategies” and “realizing a robust corporate constitution”—Fujifilm has augmented investments in strategic business fields while implementing a Groupwide “Slim and Strong Drive” designed to cut manufacturing costs, reduce SG&A expenses, and increase the efficiency of R&D investment.

Regarding the goal of “further promoting growth strategies,” Fujifilm is taking such measures as making capital investments to expand its supply capabilities in response to strong demand for FPD materials. To expand the scope of medical systems/life-sciences business, the Company acquired Toyama Chemical Co., Ltd.—an R&D-oriented pharmaceutical company that has promising drug candidates for treating influenza and other conditions. Also the Company is proactively strengthening R&D capabilities to create additional new businesses.

With respect to the goal of “realizing a robust corporate constitution,” as a part of the “Slim & Strong Drive” cost reform program, on July 1, 2007, Fujifilm established FUJIFILM Business Expert Corporation, a shared services company responsible for providing various services to Fujifilm Group companies and worked to use that new company’s capabilities to reduce costs. The Company is also seeking to reduce costs by increasing distribution efficiency through such measures as those providing for Fujifilm and Fuji Xerox to increase their cooperation regarding such activities as warehousing and shipping operations. Moreover, to strengthen the competitiveness of digital camera operations, which are facing increasingly intense competition, Fujifilm has reevaluated its manufacturing system as well as consolidated product development, procurement, and quality assurance functions into a single facility. In the Document Solutions segment, the Company reorganized its office supply and consumables product marketing business associated with copy machines and multifunction devices, particularly business involving copy paper.

(2) Financial Position

(Assets, Liabilities, and Shareholders’ Equity)

At year-end, total assets amounted to ¥3,266.4 billion, down ¥52.7 billion, or 1.6% compared with the end of the same period of the previous fiscal year, reflecting decreases in cash and cash equivalents and in investment securities. Total liabilities were ¥1,215.0 billion, down ¥15.5 billion, or 1.3%, due to decrease in accrued liabilities although accrued pension and severance costs increased. Shareholders’ equity was down ¥54.2 billion, or 2.7%, to ¥1,922.4 billion, due to an increase in the accumulated other comprehensive loss affected by the foreign currency translation adjustments, and a rise in treasury stock.

As a result, the current ratio decreased 2.5 percentage point, to 200.4%, the debt ratio increased 0.9 percentage point, to 63.2%, and the equity ratio decreased 0.6 percentage point, to 58.9%. The Company is confident that it is maintaining a stable level of asset liquidity and a sound capital structure.

(Cash Flows)

Net cash inflow provided by operating activities amounted to ¥298.1 billion reflecting an increase in net income. Net cash used in investing activities totaled ¥259.7 billion, mainly reflected the application of ¥166.1 billion for purchases of property, plant and equipment and of ¥99.0 billion to acquisitions of businesses. Net cash used in financing activities totaled ¥72.3 billion reflecting the use of ¥34.2 billion to net purchases of stock for treasury. As a result, cash and cash equivalents at the end of the period under review amounted to ¥330.9 billion, down ¥53.8 billion from the previous fiscal year-end.

Cash Flow Indices (consolidated)

	Year ended March 31, 2007 From April 1, 2006, to March 31, 2007	Year ended March 31, 2008 From April 1, 2007, to March 31, 2008
Ratio of shareholders’ equity to total assets (%)	59.5	58.9
Ratio of market capitalization to total assets (%)	74.2	54.5
Ratio of interest-bearing debt to operating cash flow (years)	1.3	1.2
Interest coverage ratio (times)	46.8	40.4

Notes:

1. Market capitalization equals the stock price at the end of the year multiplied by the number of shares outstanding at the end of the fiscal year, excluding treasury stock.
2. Interest-bearing debt includes corporate debt securities and short- and long-term debt.
3. Interest coverage ratio: Operating cash flow divided by interest paid

(3) Basic Policy Regarding Distribution of Profits

In addition to reflecting consolidated performance trends, dividend levels are to be determined based on the consideration of such factors as the level of funds required for capital investment and R&D activities needed to support future business expansion as well as other measures aimed at increasing the Company's corporate value in the future. As a means of supplementing dividends, the Company will also flexibly move to employ surplus cash flow to acquire treasury stock in a manner that contributes to greater capital efficiency.

Considering the current time period to be a "second corporate founding" period, the Company is intensively implementing capital investments, M&A transactions, and R&D investments in its core business areas. In view of this situation, the Company has targeted a return to shareholders ratio of 25%, which represents the ratio of total cash dividends and acquisition of treasury stock to consolidated net income.

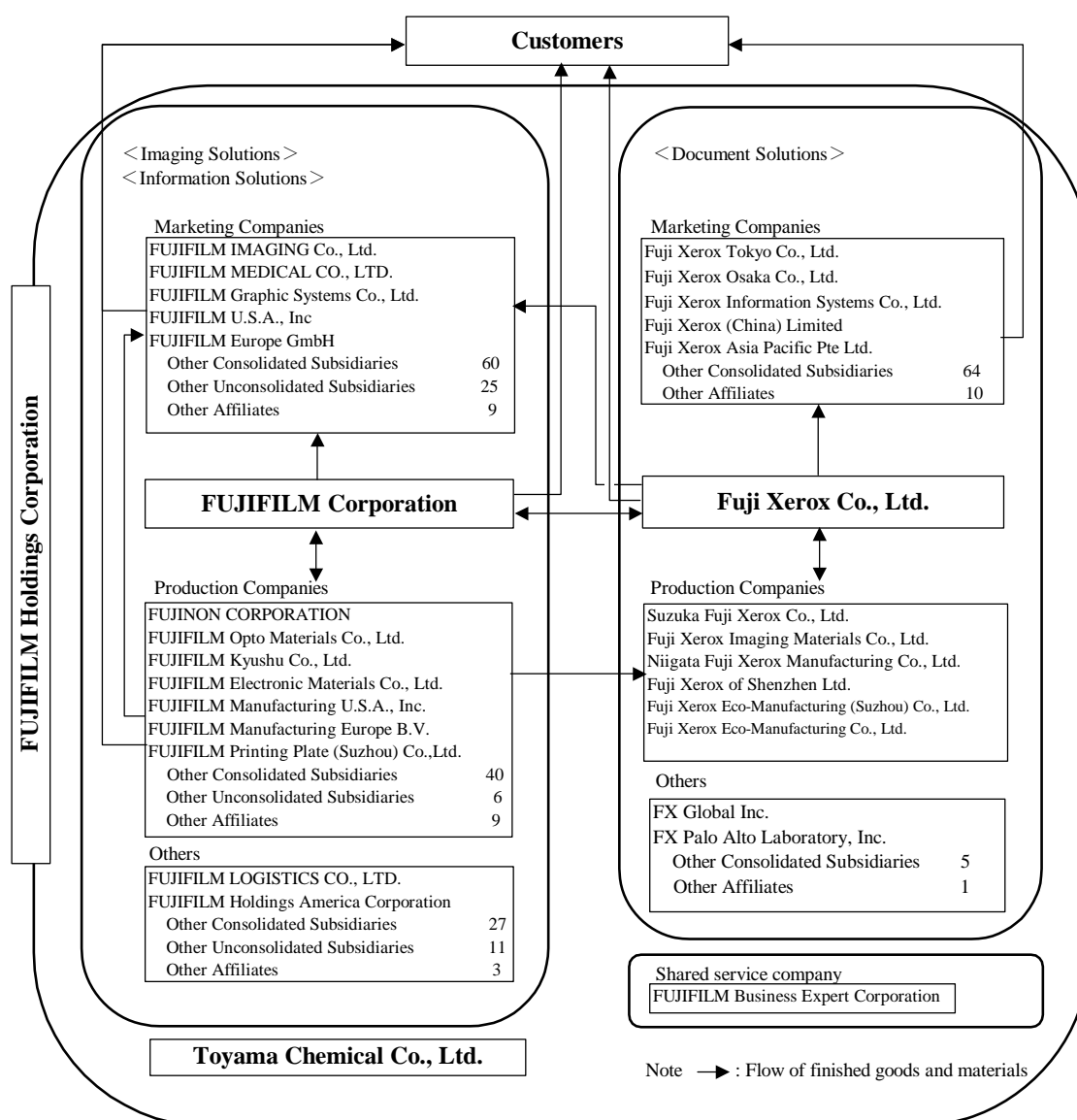
The Company plans to distribute year-end cash dividends of ¥17.50 per share, up ¥5.00 per share from the previous fiscal year. As ¥17.50 per share, which were also up ¥5.00 per share from the interim period of the previous fiscal year, interim cash dividends have already been distributed, cash dividends applicable to the fiscal year under review will total ¥35.00 per share, up ¥10.00 per share from the previous fiscal year. During the year, we bought back 6.7 million shares at a total acquisition cost of ¥34.1 billion. As a result, the return to shareholders ratio for the year was 49.6%.

Regarding the current fiscal year, we anticipate that interim dividends will be ¥17.50 per share, year-end dividends will be ¥17.50 per share, and total dividends applicable to the year will amount to ¥35.00 per share.

2. THE FUJIFILM GROUP

FUJIFILM Group (“ the Group”) shifted to a holding company structure as of October 1, 2006. Under FUJIFILM Holdings Corporation (“ the Company”), which is now responsible for the overall management of the Group, the Group is developing its operations through a new Group management structure centered on FUJIFILM Corporation, which is responsible for imaging solutions and information solutions operations, and Fuji Xerox Co., Ltd., (“ Fuji Xerox”) which is responsible for document solutions operations. As of March 31, 2008, the FUJIFILM Group included FUJIFILM Holdings Corporation, its 267 subsidiaries, and 32 affiliates. The positioning of the Company and its subsidiaries and affiliates as well as the relationship of Group companies to business segments are shown below.

	Description	Main companies
Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals and services for photofinishing, etc.	FUJIFILM Corporation, FUJIFILM IMAGING Co., Ltd., FUJIFILM U.S.A., Inc., FUJIFILM Europe GmbH, FUJIFILM Manufacturing U.S.A., Inc., FUJIFILM Manufacturing Europe B.V. etc.
Information Solutions	Equipment and materials for medical systems and life sciences, equipment and materials for graphic arts, flat panel display materials, recording media, optical devices, electronic materials and inkjet materials, etc.	FUJIFILM Corporation, FUJIFILM MEDICAL CO., LTD., FUJINON CORPORATION, FUJIFILM Graphic Systems Co., Ltd., FUJIFILM Opto Materials Co., Ltd., FUJIFILM Kyushu Co., Ltd., FUJIFILM Electronic Materials Co., Ltd., FUJIFILM U.S.A., Inc., FUJIFILM Europe GmbH, FUJIFILM Manufacturing U.S.A., Inc., FUJIFILM Manufacturing Europe B.V., FUJIFILM Printing Plate (Suzhou) Co., Ltd. etc.
Document Solutions	Office copy machines /multifunction devices, printers, production systems and services, paper, consumables and office services, etc.	Fuji Xerox Co., Ltd., Fuji Xerox Tokyo Co., Ltd., Fuji Xerox Osaka Co., Ltd., Fuji Xerox Information Systems Co., Ltd., Suzuka Fuji Xerox Co., Ltd., Fuji Xerox Imaging Materials Co., Ltd., Niigata Fuji Xerox Manufacturing Co., Ltd., Fuji Xerox (China) Limited, Fuji Xerox Asia Pacific Pte Ltd., Fuji Xerox of Shenzhen Ltd., Fuji Xerox Eco-Manufacturing (Suzhou) Co., Ltd., Fuji Xerox Eco-Manufacturing Co., Ltd., FX Global, Inc., FX Palo Alto Laboratory, Inc. etc.



3. MANAGEMENT POLICIES

Medium- and Long-Term Strategies and Essential Tasks

Considering the current time period to be a “second corporate founding” period, the Fujifilm Group is intensively implementing measures that are based on its VISION75 medium-term management plan while giving particular emphasis to measures related to the following two strategic themes.

- i) “Further promoting growth strategies” by strengthening investment in emphasized business fields
- ii) “Realizing a robust corporate constitution” by expeditiously and decisively implementing the “Slim & Strong Drive” program to reform costs Groupwide and thereby achieve reductions in manufacturing costs, marketing costs, and selling, general, and administrative costs as well as an increase in the efficiency of R&D expenditures

Such factors as surging raw materials prices and the progressive appreciation of the yen are increasing the harshness of conditions in the Fujifilm Group’s operating environment. In view of this, Fujifilm has reevaluated the VISION75 (2008) medium-term management plan and taken measures to further accelerate its growth strategy while also dynamically moving ahead with the “Slim & Strong Drive” program. These changes are designed to further reinforce the basis for future growth and provide additional upward impetus to the Group’s corporate value.

To sustain its growth in the future, the Fujifilm Group must continually foster the development of growth businesses and create additional new businesses. It must move ahead with the application of distinctive technologies and address the challenge of creating new kinds of value. One initiative taken in recognition of these facts is that to begin full-scale participation in pharmaceutical business beginning with the acquisition of Toyama Chemical Co., Ltd., which has been a consolidated subsidiary of Fujifilm Holdings Corporation since March 26, 2008. By effectively leveraging that company’s outstanding drug discovery capabilities and know-how along with the nanotechnologies and other exclusive technologies that Fujifilm has developed over many years, we intend to create a new model for promoting productive drug discovery operations based on cooperation between companies in different industries. By investing in the Fujifilm Group’s financial strength, overseas marketing know-how, dynamic human resources, and other strengths, we are confident of generating considerable synergies that swiftly facilitate drug development programs.

CONSOLIDATED BALANCE SHEETS

Amount Unit: Millions of yen

	As of March 31, 2008		As of March 31, 2007		Change
ASSETS	%		%		
Current assets:					
Cash and cash equivalents		330,926		384,719	(53,793)
Marketable securities		14,936		48,536	(33,600)
Notes and accounts receivable:					
Trade and finance		584,349		597,985	(13,636)
Affiliated companies		28,461		23,952	4,509
Allowance for doubtful receivables		(15,950)		(16,345)	395
		596,860		605,592	(8,732)
Inventories		416,827		393,594	23,233
Deferred income taxes		90,956		100,440	(9,484)
Prepaid expenses and other		61,447		52,368	9,079
Total current assets	46.3	1,511,952	47.8	1,585,249	(73,297)
Investments and long-term receivables:					
Investments in and advances to affiliated companies		50,737		44,782	5,955
Investment securities		234,684		336,886	(102,202)
Long-term finance and other receivables		133,543		106,979	26,564
Allowance for doubtful receivables		(4,109)		(3,975)	(134)
Total investments and long-term receivables	12.7	414,855	14.6	484,672	(69,817)
Property, plant and equipment:					
Land		101,492		92,400	9,092
Buildings		673,175		634,045	39,130
Machinery and equipment		1,709,104		1,674,487	34,617
Construction in progress		57,139		44,444	12,695
		2,540,910		2,445,376	95,534
Less accumulated depreciation		(1,764,543)		(1,672,344)	(92,199)
Total property, plant and equipment	23.8	776,367	23.3	773,032	3,335
Other assets:					
Goodwill, net		326,777		257,866	68,911
Other intangible assets, net		91,689		59,397	32,292
Deferred income taxes		54,889		53,798	1,091
Other		89,855		105,088	(15,233)
Total other assets	17.2	563,210	14.3	476,149	87,061
Total assets	100.0	3,266,384	100.0	3,319,102	(52,718)

	As of March 31, 2008		As of March 31, 2007		Change
LIABILITIES	%		%		
Current liabilities:					
Short-term debt	113,797		106,043		7,754
Notes and accounts payable:					
Trade	278,950		279,470		(520)
Construction	58,654		49,548		9,106
Affiliated companies	5,210		4,887		323
	342,814		333,905		8,909
Accrued income taxes	41,636		41,034		602
Accrued liabilities	189,741		225,848		(36,107)
Other current liabilities	66,643		74,534		(7,891)
Total current liabilities	23.1	754,631	23.5	781,364	(26,733)
Long-term liabilities:					
Long-term debt	256,213		267,965		(11,752)
Accrued pension and severance costs	111,942		84,510		27,432
Deferred income taxes	44,936		54,268		(9,332)
Customers' guarantee deposits and other	47,317		42,459		4,858
Total long-term liabilities	14.1	460,408	13.6	449,202	11,206
Minority interests in subsidiaries	3.9	128,992	3.4	112,028	16,964
SHAREHOLDERS' EQUITY					
Common stock, without par value:	40,363		40,363		0
Authorized: 800,000,000 shares					
Issued: 514,625,728 shares					
Additional paid-in capital	69,329		68,412		917
Retained earnings	1,923,432		1,840,168		83,264
Accumulated other comprehensive income (loss)	(63,171)		40,950		(104,121)
Treasury stock, at cost					
As of March 31, 2007: 3,509,582 shares					
As of March 31, 2008: 10,228,426 shares	(47,600)		(13,385)		(34,215)
Total shareholders' equity	58.9	1,922,353	59.5	1,976,508	(54,155)
Total liabilities and shareholders' equity	100.0	3,266,384	100.0	3,319,102	(52,718)

Note: Details of accumulated other comprehensive income (loss)

	As of March 31, 2008	As of March 31, 2007	Change
Unrealized gains on securities	18,172	46,231	(28,059)
Foreign currency translation adjustments	(17,599)	39,404	(57,003)
Pension liability adjustments	(63,638)	(44,694)	(18,944)
Unrealized gains (losses) on derivatives	(106)	9	(115)

CONSOLIDATED STATEMENTS OF INCOME

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Revenue:	%		%			
Sales		2,450,256		2,399,636	50,620	2.1
Rentals		396,572		382,890	13,682	3.6
	100.0	2,846,828	100.0	2,782,526	64,302	2.3
Cost of sales:						
Sales		1,532,596		1,478,828	53,768	3.6
Rentals		160,162		159,509	653	0.4
	59.4	1,692,758	58.9	1,638,337	54,421	3.3
Gross profit	40.6	1,154,070	41.1	1,144,189	9,881	0.9
Operating expenses:						
Selling, general and administrative	26.7	759,139	27.3	760,042	(903)	(0.1)
Research and development	6.6	187,589	6.4	177,004	10,585	6.0
Restructuring and other charges	-	-	3.3	94,081	(94,081)	-
	33.3	946,728	37.0	1,031,127	(84,399)	(8.2)
Operating income	7.3	207,342	4.1	113,062	94,280	83.4
Other income (expenses):						
Interest and dividend income		13,462		11,376	2,086	
Interest expense		(7,380)		(6,351)	(1,029)	
Foreign exchange gains (losses), net		(14,640)		6,746	(21,386)	
Decline in value of investment securities		(864)		(23,946)	23,082	
Other, net		1,422		2,377	(955)	
	(0.3)	(8,000)	(0.4)	(9,798)	1,798	18.4
Income before income taxes	7.0	199,342	3.7	103,264	96,078	93.0
Income taxes						
Current		73,322		62,910	10,412	16.6
Deferred		8,821		(3,377)	12,198	-
	2.9	82,143	2.1	59,533	22,610	38.0
Income before minority interests and equity in net earnings of affiliated companies	4.1	117,199	1.6	43,731	73,468	168.0
Minority interests	(0.5)	(15,474)	(0.5)	(12,643)	(2,831)	(22.4)
Equity in net earnings of affiliated companies	0.1	2,706	0.1	3,358	(652)	(19.4)
Net income	3.7	104,431	1.2	34,446	69,985	203.2

CONSOLIDATED STATEMENTS OF CASH FLOWS

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008	Year ended March 31, 2007 From April 1, 2006 To March 31, 2007	Change
Operating activities			
Net income	104,431	34,446	69,985
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	226,753	215,429	11,324
Impairment losses for long-lived assets	6,910	12,202	(5,292)
Decline in value of investment securities	864	23,946	(23,082)
Deferred income taxes	8,821	(3,377)	12,198
Minority interests	15,474	12,643	2,831
Equity in net earnings of affiliated companies, less dividends received	95	(1,987)	2,082
Changes in operating assets and liabilities:			
Notes and accounts receivable	(12,990)	(9,637)	(3,353)
Inventories	(30,479)	10,976	(41,455)
Notes and accounts payable - trade	10,169	12,700	(2,531)
Accrued income taxes and other liabilities	(52,001)	1,326	(53,327)
Other	20,063	(11,391)	31,454
Subtotal	193,679	262,830	(69,151)
Net cash provided by operating activities	298,110	297,276	834
Investing activities			
Purchases of property, plant and equipment	(166,136)	(172,572)	6,436
Purchases of software	(20,714)	(20,483)	(231)
Proceeds from sales and maturities of marketable and investment securities	141,615	109,116	32,499
Purchases of marketable and investment securities	(47,303)	(146,911)	99,608
(Increase) decrease in investments in and advances to affiliated companies	(41,039)	1,383	(42,422)
Acquisitions of businesses and minority interests, net of cash acquired	(98,973)	(45,741)	(53,232)
Other	(27,165)	(22,793)	(4,372)
Net cash used in investing activities	(259,715)	(298,001)	38,286
Financing activities			
Proceeds from long-term debt	2,602	200,568	(197,966)
Repayments of long-term debt	(10,124)	(29,725)	19,601
Decrease (increase) in short-term debt, net	(10,579)	6,120	(16,699)
Cash dividends paid	(15,335)	(12,754)	(2,581)
Subsidiaries' cash dividends paid to minority interests	(4,658)	(5,220)	562
Net purchases of stock for treasury	(34,214)	(702)	(33,512)
Net cash provided by (used in) financing activities	(72,308)	158,287	(230,595)
Effect of exchange rate changes on cash and cash equivalents	(19,880)	8,559	(28,439)
Net increase (decrease) in cash and cash equivalents	(53,793)	166,121	(219,914)
Cash and cash equivalents at beginning of year	384,719	218,598	166,121
Cash and cash equivalents at end of year	330,926	384,719	(53,793)

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended March 31, 2008

Amount Unit: Millions of yen

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	40,363	68,412	1,818,610	52,917	(16,805)	1,963,497
Comprehensive income:						
Net income			34,446			34,446
Net decrease in unrealized gains on securities				(6,888)		(6,888)
Foreign currency translation adjustments				27,539		27,539
Minimum pension liability adjustments				(13,729)		(13,729)
Change in net unrealized gains (losses) on derivatives				(2)		(2)
Net comprehensive income						41,366
Adjustment to initially apply SFAS 158, net of tax				(18,887)		(18,887)
Purchases of stock for treasury					(711)	(711)
Sales of stock from treasury			(122)		4,131	4,009
Dividends applicable to earnings of the year			(12,766)			(12,766)
Balance at March 31, 2007	40,363	68,412	1,840,168	40,950	(13,385)	1,976,508
Cumulative-effect adjustment to initially apply EITF No. 06-2, net of tax			(3,394)			(3,394)
Comprehensive income:						
Net income			104,431			104,431
Net decrease in unrealized gains on securities				(28,059)		(28,059)
Foreign currency translation adjustments				(57,003)		(57,003)
Pension liability adjustments				(18,944)		(18,944)
Change in net unrealized gains (losses) on derivatives				(115)		(115)
Net comprehensive income						310
Purchases of stock for treasury					(34,232)	(34,232)
Sales of stock from treasury		1			17	18
Dividends applicable to earnings of the period			(17,773)			(17,773)
Issuance of stock acquisition rights		916				916
Balance at March 31, 2008	40,363	69,329	1,923,432	(63,171)	(47,600)	1,922,353

DETAILS OF CONSOLIDATED REVENUE

(1) Revenue by product

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Revenue:						
Imaging Solutions	19.2%	547,066	21.7%	605,383	(58,317)	(9.6)
Information Solutions	38.9%	1,108,134	36.9%	1,026,085	82,049	8.0
Document Solutions	41.9%	1,191,628	41.4%	1,151,058	40,570	3.5
Consolidated total	100.0%	2,846,828	100.0%	2,782,526	64,302	2.3

Note: The major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals and services for photofinishing
Information Solutions	Equipment and materials for medical system and life science, equipment and materials for graphic arts, flat panel display materials, recording media, optical devices, electronic materials and inkjet materials
Document Solutions	Office copy machines/MFPs, printers, production systems and services, paper, consumables and office services

(2) Domestic and overseas revenue

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Revenue:						
Domestic	44.2%	1,259,506	46.9%	1,303,647	(44,141)	(3.4)
Overseas						
The Americas	19.6%	557,203	20.6%	572,797	(15,594)	(2.7)
Europe	15.8%	449,241	15.2%	422,965	26,276	6.2
Asia and others	20.4%	580,878	17.3%	483,117	97,761	20.2
Subtotal	55.8%	1,587,322	53.1%	1,478,879	108,443	7.3
Consolidated total	100.0%	2,846,828	100.0%	2,782,526	64,302	2.3

SEGMENT INFORMATION

(1) Operating segments

(a) Revenue and Operating Income

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	19.2%	547,066	21.7%	605,383	(58,317)	(9.6)
Intersegment		874		899	(25)	-
Total		547,940		606,282	(58,342)	(9.6)
Information Solutions:						
External customers	38.9%	1,108,134	36.9%	1,026,085	82,049	8.0
Intersegment		2,136		2,818	(682)	-
Total		1,110,270		1,028,903	81,367	7.9
Document Solutions:						
External customers	41.9%	1,191,628	41.4%	1,151,058	40,570	3.5
Intersegment		9,274		12,187	(2,913)	-
Total		1,200,902		1,163,245	37,657	3.2
Eliminations		(12,284)		(15,904)	3,620	-
Consolidated total	100.0%	2,846,828	100.0%	2,782,526	64,302	2.3

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Operating Income (Loss):						
Imaging Solutions	(0.4)%	(2,394)	(7.0)%	(42,631)	40,237	94.4
Information Solutions	11.5%	127,432	9.2%	95,170	32,262	33.9
Document Solutions	7.2%	86,664	5.3%	61,186	25,478	41.6
Total		211,702		113,725	97,977	86.2
Corporate expenses and eliminations		(4,360)		(663)	(3,697)	-
Consolidated total	7.3%	207,342	4.1%	113,062	94,280	83.4

(Ref.)

Restructuring charges included in the operating income and loss by operating segment

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008	Year ended March 31, 2007 From April 1, 2006 To March 31, 2007	Change
Restructuring charges:			
Imaging Solutions	-	60,121	(60,121)
Information Solutions	-	17,269	(17,269)
Document Solutions	-	16,691	(16,691)
Consolidated total	-	94,081	(94,081)

Note: The major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals and services for photofinishing
Information Solutions	Equipment and materials for medical diagnostics and life science, equipment and materials for graphic arts, flat panel display materials, recording media, optical devices, electronic materials and inkjet materials
Document Solutions	Office copy machines/MFPs, printers, production systems and services, paper, consumables and office services

(b) Assets

Amount Unit: Millions of yen

	As of March 31, 2008	As of March 31, 2007	Change	
			Amount	%
Total assets:				
Imaging Solutions	497,237	542,419	(45,182)	(8.3)
Information Solutions	1,454,928	1,242,844	212,084	17.1
Document Solutions	1,054,538	1,056,374	(1,836)	(0.2)
Subtotal	3,006,703	2,841,637	165,066	5.8
Eliminations	(5,196)	(5,292)	96	-
Corporate assets	264,877	482,757	(217,880)	(45.1)
Consolidated total	3,266,384	3,319,102	(52,718)	(1.6)

(c) Depreciation and amortization, and Capital expenditures

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008	Year ended March 31, 2007 From April 1, 2006 To March 31, 2007	Change	
			Amount	%
Depreciation and amortization:				
Imaging Solutions	37,773	52,818	(15,045)	(28.5)
Information Solutions	107,454	88,147	19,307	21.9
Document Solutions	80,975	74,333	6,642	8.9
Corporate	551	131	420	320.6
Consolidated total	226,753	215,429	11,324	5.3
Capital expenditures:				
Imaging Solutions	17,929	19,827	(1,898)	(9.6)
Information Solutions	101,421	95,947	5,474	5.7
Document Solutions	50,708	48,127	2,581	5.4
Corporate	121	1,258	(1,137)	(90.4)
Consolidated total	170,179	165,159	5,020	3.0

(2) Geographic information

(a) Revenue and Operating income

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Revenue:						
Japan						
External customers	57.7%	1,643,710	59.9%	1,666,182	(22,472)	(1.3)
Intersegment		513,364		459,120	54,244	-
Total		2,157,074		2,125,302	31,772	1.5
The Americas						
External customers	17.6%	500,910	17.7%	491,129	9,781	2.0
Intersegment		19,847		25,021	(5,174)	-
Total		520,757		516,150	4,607	0.9
Europe						
External customers	12.2%	347,028	12.2%	340,246	6,782	2.0
Intersegment		16,565		18,536	(1,971)	-
Total		363,593		358,782	4,811	1.3
Asia and others						
External customers	12.5%	355,180	10.2%	284,969	70,211	24.6
Intersegment		368,011		316,774	51,237	-
Total		723,191		601,743	121,448	20.2
Eliminations		(917,787)		(819,451)	(98,336)	-
Consolidated total	100.0%	2,846,828	100.0%	2,782,526	64,302	2.3

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
Operating Income (Loss):						
Japan	6.8%	146,222	4.1%	86,999	59,223	68.1
The Americas	1.0%	5,133	(2.5)%	(12,927)	18,060	-
Europe	(0.5)%	(1,798)	(0.7)%	(2,356)	558	23.7
Asia and others	7.6%	55,303	6.8%	41,056	14,247	34.7
Eliminations		2,482		290	2,192	-
Consolidated total	7.3%	207,342	4.1%	113,062	94,280	83.4

(b) Long - lived assets

Amount Unit: Millions of yen

	As of March 31, 2008	As of March 31, 2007	Change	
			Amount	%
Long - lived assets:				
Japan	613,239	588,054	25,185	4.3
The Americas	45,122	58,001	(12,879)	(22.2)
Europe	62,546	71,084	(8,538)	(12.0)
Asia and others	55,460	55,893	(433)	(0.8)
Consolidated total	776,367	773,032	3,335	0.4

MARKETABLE AND INVESTMENT SECURITIES

Fair Value on Marketable and Investment Securities

Amount Unit: Millions of yen

	As of March 31, 2008				As of March 31, 2007			
	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value	Cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
Marketable securities:								
Government debt securities	0	-	-	0	22,330	3	36	22,297
Corporate debt securities	14,991	0	55	14,936	26,269	1	31	26,239
Total marketable securities	14,991	0	55	14,936	48,599	4	67	48,536
Investment securities:								
Government debt securities	5,341	92	-	5,433	50,115	118	86	50,147
Corporate debt securities	88,096	303	636	87,763	87,485	150	529	87,106
Equity securities	99,397	38,982	4,552	133,827	107,869	82,829	627	190,071
Total investment securities	192,834	39,377	5,188	227,023	245,469	83,097	1,242	327,324
Total	207,825	39,377	5,243	241,959	294,068	83,101	1,309	375,860

Note:

This statement is prepared in accordance with accounting principles generally accepted in the United States of America. All debt and equity securities held by FUJIFILM Holdings Corporation and subsidiaries are classified as available-for-sale securities.

New Accounting Standard:

The Company applied EITF Issue No. 06-2 "Accounting for Sabbatical Leave and Other Similar Benefits Pursuant to FASB Statement No. 43" since April 1, 2007. Due to a cumulative-effect adjustment to initially apply the consensus, liabilities increased by 6,932 million yen and retained earnings decreased by 3,394 million yen as of April 1, 2007.

<Reference>

CONSOLIDATED STATEMENTS OF INCOME (The Fourth Quarter)

Amount Unit: Millions of yen

	Three montes ended March 31, 2008 From January 1, 2008 To March 31, 2008		Three montes ended March 31, 2007 From January 1, 2007 To March 31, 2007		Change	
					Amount	%
Revenue:						
Sales		611,352		618,412	(7,060)	(1.1)
Rentals		98,063		95,596	2,467	2.6
	100.0	709,415	100.0	714,008	(4,593)	(0.6)
Cost of sales:						
Sales		391,918		395,477	(3,559)	(0.9)
Rentals		38,991		40,284	(1,293)	(3.2)
	60.8	430,909	61.0	435,761	(4,852)	(1.1)
Gross profit	39.2	278,506	39.0	278,247	259	0.1
Operating expenses:						
Selling, general and administrative	27.6	196,116	27.1	193,240	2,876	1.5
Research and development	7.5	53,041	6.2	43,925	9,116	20.8
Restructuring and other charges	-	-	6.9	49,479	(49,479)	-
	35.1	249,157	40.2	286,644	(37,487)	(13.1)
Operating income (loss)	4.1	29,349	(1.2)	(8,397)	37,746	-
Other income (expenses):						
Interest and dividend income		2,674		3,751	(1,077)	
Interest expense		(1,757)		(1,940)	183	
Foreign exchange gains (losses), net		(13,638)		500	(14,138)	
Decline in value of investment securities		(484)		(1,914)	1,430	
Other, net		(2,273)		(1,006)	(1,267)	
	(2.1)	(15,478)	(0.1)	(609)	(14,869)	-
Income before income taxes (loss)	2.0	13,871	(1.3)	(9,006)	22,877	-
Income taxes						
Current		1,442		8,482	(7,040)	(83.0)
Deffered		8,904		(3,611)	12,515	-
	1.5	10,346	0.7	4,871	5,475	112.4
Income (loss) before minority interests and equity in net earnings of affiliated companies	0.5	3,525	(2.0)	(13,877)	17,402	-
Minority interests	(0.6)	(4,314)	(0.2)	(1,310)	(3,004)	(229.3)
Equity in net earnings of affiliated companies	0.2	1,351	0.2	1,208	143	11.8
Net income (loss)	0.1	562	(2.0)	(13,979)	14,541	-

<Reference>

CONSOLIDATED STATEMENTS OF CASH FLOW (The Fourth Quarter)

Amount Unit: Millions of yen

	Three months ended March 31, 2008 From January 1, 2008 To March 31, 2008	Three months ended March 31, 2007 From January 1, 2007 To March 31, 2007
Operating activities		
Net income (loss)	562	(13,979)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	60,232	56,316
Impairment losses for long-lived assets	6,910	12,202
Decline in value of investment securities	484	1,914
Minority interests	4,314	1,310
Equity in net earnings of affiliated companies, less dividends received	(614)	(1,187)
Changes in operating assets and liabilities:		
Notes and accounts receivable	9,428	(5,122)
Inventories	8,006	27,826
Notes and accounts payable - trade	(2,181)	4,419
Accrued income taxes and other liabilities	(8,978)	43,867
Other	31,739	(14,530)
Subtotal	109,340	127,015
Net cash provided by operating activities	109,902	113,036
Investing activities		
Purchases of property, plant and equipment	(51,234)	(51,492)
Purchases of software	(6,005)	(6,693)
Proceeds from sales and maturities of marketable and investment securities	96,134	33,482
Purchases of marketable and investment securities	(1,960)	(34,621)
Decrease in investments in and advances to affiliated companies and other advances	(5,998)	(1,575)
Acquisitions of businesses and minority interests, net of cash acquired	(98,973)	(4,099)
Other	(12,672)	(604)
Net cash used in investing activities	(80,708)	(65,602)
Financing activities		
Proceeds from long-term debt	-	630
Repayments of long-term debt	(257)	(5,181)
Decrease in short-term debt, net	(54,334)	(13,413)
Net purchases of stock for treasury, net	(5)	(38)
Net cash used in financing activities	(54,596)	(18,002)
Effect of exchange rate changes on cash and cash equivalents	(20,480)	677
Net increase (decrease) in cash and cash equivalents	(45,882)	30,109
Cash and cash equivalents at beginning of period	376,808	354,610
Cash and cash equivalents at end of period	330,926	384,719

<Reference>

DETAILS OF CONSOLIDATED REVENUE (The Fourth Quarter)

1. Revenue by Product

Amount Unit: Millions of yen

	Three months ended March 31, 2008 From January 1, 2008 To March 31, 2008		Three months ended March 31, 2007 From January 1, 2007 To March 31, 2007		Change	
					Amount	%
Revenue:						
Imaging Solutions	14.6%	103,319	17.8%	127,334	(24,015)	(18.9)
Information Solutions	41.0%	291,148	38.6%	275,785	15,363	5.6
Document Solutions	44.4%	314,948	43.6%	310,889	4,059	1.3
Consolidated total	100.0%	709,415	100.0%	714,008	(4,593)	(0.6)

Note: Major products and services of each operating segment are as follows:

Imaging Solutions	Color films, digital cameras, photofinishing equipment and color paper, chemicals and services for photofinishing
Information Solutions	Equipment and materials for medical system and life science, equipment and materials for graphic arts, flat panel display materials, recording media, optical devices, electronic materials and inkjet materials
Document Solutions	Office copy machines/MFPs, printers, production systems and services, paper, consumables and office services

2. Domestic and Overseas Revenue

Amount Unit: Millions of yen

	Three months ended March 31, 2008 From January 1, 2008 To March 31, 2008		Three months ended March 31, 2007 From January 1, 2007 To March 31, 2007		Change	
					Amount	%
Revenue:						
Domestic	47.5%	336,671	48.1%	343,469	(6,798)	(2.0)
Overseas						
The Americas	17.4%	123,108	19.2%	137,370	(14,262)	(10.4)
Europe	14.8%	105,063	15.1%	107,472	(2,409)	(2.2)
Asia and others	20.3%	144,573	17.6%	125,697	18,876	15.0
Subtotal	52.5%	372,744	51.9%	370,539	2,205	0.6
Consolidated total	100.0%	709,415	100.0%	714,008	(4,593)	(0.6)

BALANCE SHEETS (Non-Consolidated)

Amount Unit: Millions of yen

	As of March 31, 2008		As of March 31, 2007		Change
ASSETS	%		%		
Current assets:					
Cash on hand and in banks	9,906		101,460		(91,553)
Other accounts receivable	612		5,511		(4,899)
Income taxes refundable	5,657		3,758		1,898
Short-term loans receivable	24,510		26,902		(2,392)
Marketable securities	24,940		48,505		(23,565)
	3.7	65,626	10.3	186,138	(120,512)
Deferred income taxes	2,122		291		1,830
Other current assets	1,315		1,200		115
Total current assets	3.9	69,063	10.3	187,630	(118,566)
Fixed assets:					
Property, plant and equipment					
Buildings	1,645		1,854		(209)
Machinery and equipment	172		205		(32)
Automotive equipment	163		233		(70)
Construction in progress	0		-		0
Subtotal	0.1	1,980	0.1	2,293	(313)
Intangible assets					
Software	458		383		75
Subtotal	0.0	458	0.0	383	75
Investments and other assets					
Investment securities	120,931		188,940		(68,008)
Stock of affiliated company	1,505,131		1,367,079		138,052
Long-term loans receivable	69,243		57,510		11,733
Long-term deferred income taxes	9,213		7,105		2,107
Other investments	4,252		4,352		(100)
Allowance for doubtful receivables	(3)		(3)		-
Subtotal	96.0	1,708,768	89.6	1,624,984	83,784
Total fixed assets	96.1	1,711,208	89.7	1,627,661	83,546
Total Assets	100.0	1,780,271	100.0	1,815,292	(35,020)

	As of March 31, 2008		As of March 31, 2007		Change
LIABILITIES	%		%		
Current liabilities:					
Short-term debt	13,000		25,000		(12,000)
Other accounts payable	43		987		(944)
Accrued expenses	889		360		529
Notes payable for construction	-		77		(77)
Other current liabilities	132		48		83
Total current liabilities	0.8	14,066	1.5	26,474	(12,407)
Long-term liabilities:					
Convertible bond type-bonds with stock acquisition rights	202,948		201,474		1,474
Other long-term liabilities	345		404		(59)
Total long-term liabilities	11.4	203,293	11.1	201,878	1,414
Total liabilities	12.2	217,359	12.6	228,352	(10,992)
NET ASSETS					
Shareholders' equity					
Common stock	2.3	40,363	2.2	40,363	-
Capital surplus					
Additional paid in capital	63,636		63,636		-
Other capital surplus	0		-		0
Total capital surplus	3.6	63,636	3.5	63,636	0
Retained earnings					
Legal reserve	10,090		10,090		-
Other retained earnings					
Reserve for dividends	-		280		(280)
Reserve for retirement allowance	-		280		(280)
Reserve for R&D	-		285		(285)
Other reserve	1,458,305		1,428,305		30,000
Retained earnings brought forward	38,219		54,948		(16,729)
Total retained earnings	84.6	1,506,615	82.3	1,494,189	12,425
Treasury stock	(2.7)	(47,576)	(0.7)	(13,361)	(34,214)
Total shareholders' equity	87.8	1,563,038	87.3	1,584,827	(21,788)
Valuation and translation adjustments					
Valuation difference on available-for-sale securities	(0.1)	(1,042)	0.1	2,111	(3,154)
Stock acquisition rights	0.1	915	-	-	915
Total net assets	87.8	1,562,911	87.4	1,586,939	(24,027)
Total liabilities and net assets	100.0	1,780,271	100.0	1,815,292	(35,020)

STATEMENTS OF INCOME (Non-Consolidated)

Amount Unit: Millions of yen

	Year ended March 31, 2008 From April 1, 2007 To March 31, 2008		Year ended March 31, 2007 From April 1, 2006 To March 31, 2007		Change	
					Amount	%
	%		%			
Net Sales	-	-	98.1	377,396	(377,396)	(100.0)
Operating revenue	100.0	30,861	1.9	7,248	23,613	325.8
Revenue	100.0	30,861	100.0	384,644	(353,782)	(92.0)
Cost of sales	-	-	62.8	241,674	(241,674)	(100.0)
Gross profit	100.0	30,861	37.2	142,970	(112,108)	(78.4)
Selling, general and administrative	13.6	4,211	14.2	54,962	(50,750)	(92.3)
Research and development	-	-	11.0	42,125	(42,125)	(100.0)
Total selling, general and administrative expenses	13.6	4,211	25.2	97,088	(92,876)	(95.7)
Operating income	86.4	26,649	11.9	45,882	(19,232)	(41.9)
Other income						
Interest income		4,182		3,412	769	22.5
Dividend income		-		14,348	(14,348)	(100.0)
Miscellaneous income		457		3,883	(3,425)	(88.2)
Total other income	15.0	4,640	5.6	21,644	(17,004)	(78.6)
Other expenses						
Interest expenses		2,740		2,255	484	21.5
Bank charges for export drafts discounted		-		251	(251)	(100.0)
Miscellaneous expenses		1,793		1,444	348	24.1
Total other expenses	14.7	4,533	1.1	3,951	582	14.7
Ordinary income	86.7	26,756	16.5	63,575	(36,819)	(57.9)
Extraordinary Losses						
Losses on disposal of fixed assets		-		2,381	(2,381)	(100.0)
Restructuring charges		-		12,824	(12,824)	(100.0)
Total extraordinary losses	-	-	3.9	15,205	(15,205)	(100.0)
Net income before income taxes	86.7	26,756	12.6	48,369	(21,613)	(44.7)
Current income taxes	2.5	770	1.3	5,100	(4,330)	(84.9)
Deferred income taxes		(1,773)		4,878	(6,652)	(136.4)
Net income	89.9	27,759	10.0	38,390	(10,630)	(27.7)

NON-CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Amount unit: Millions of ye

	Shareholders' equity									Valuation and translation adjustments	Stock acquisition rights	Total net assets
	Common stock	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity			
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings ^(Note)	Total retained earnings					
Balance of March 31, 2007	40,363	63,636	-	63,636	10,090	1,484,098	1,494,189	(13,361)	1,584,827	2,111	-	1,586,939
Changes in the term												
Dividends from surplus						(15,334)	(15,334)		(15,334)			(15,334)
Net income						27,759	27,759		27,759			27,759
Purchase of treasury stock								(34,232)	(34,232)			(34,232)
Disposal of treasury stock			0	0				17	18			18
Net change of items other than shareholders' equity										(3,154)	915	(2,238)
Total changes in the term	-	-	0	0	-	12,425	12,425	(34,214)	(21,788)	(3,154)	915	(24,027)
Balance of March 31, 2008	40,363	63,636	0	63,636	10,090	1,496,524	1,506,615	(47,576)	1,563,038	(1,042)	915	1,562,911

Note: Breakdown of other retained earnings

Amount unit: Millions of yen

	Reserve for dividends	Reserve for retirement allowance	Reserve for R&D	Other reserve	Retained earnings brought forward	Total other retained earnings
Balance of March 31, 2007	280	280	285	1,428,305	54,948	1,484,098
Changes in the term						
Dividends from surplus					(15,334)	(15,334)
Reversal of reserve for dividends	(280)				280	-
Reversal of reserve for retirement allowance		(280)			280	-
Reversal of reserve for R&D			(285)		285	-
Transfer to other reserve				30,000	(30,000)	-
Net income					27,759	27,759
Total changes in the term	(280)	(280)	(285)	30,000	(16,729)	12,425
Balance of March 31, 2008	-	-	-	1,458,305	38,219	1,496,524