

FUJI PHOTO FILM CO., LTD.

 Shigetaka Komori
 President and Chief Executive Officer

 URL: <http://home.fujifilm.com/>
**Financial Results (Consolidated)
 for the First Quarter ended June 30, 2003**
1. Notes to Consolidated Financial Statements

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

- Difference in Accounting Policies from the fiscal year ended March 31, 2003: N/A

(2) Change in Scope of Consolidation and Equity Method: Changed

- Consolidated Subsidiaries: 180 subsidiaries
- Unconsolidated Subsidiaries: 55 subsidiaries (equity method is applied to all subsidiaries)
- 20 percent to 50 percent owned companies: 58 companies (equity method is applied to all companies)

2. Results of the First Quarter ended June 30, 2003 (From April 1, 2003 to June 30, 2003)
(1) FINANCIAL RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
1st Quarter ended June 30, 2003	608,433	(0.9)	47,065	(6.0)	47,684	19.3	23,329	50.4
1st Quarter ended June 30, 2002	614,086	4.8	50,050	(4.1)	39,972	(33.7)	15,510	(48.1)
(Ref.) Year ended March 31, 2003	2,505,703		160,277		120,513		48,579	

	Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)
	Yen	Yen
1st Quarter ended June 30, 2003	45.45	-
1st Quarter ended June 30, 2002	30.15	-
(Ref.) Year ended March 31, 2003	94.51	-

Notes 1. Average number of shares:

First Quarter ended June 30, 2003: 513,285,806 First Quarter ended June 30, 2002: 514,467,657

Year ended March 31, 2003: 514,011,312

2. Percent: Change against corresponding period of the previous year on Revenue, Operating Income, Income before Income Taxes, Net Income.

(2) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity per Share of Common Stock
			%	Yen
As of June 30, 2003	3,024,336	1,711,477	56.6	3,334.43
As of June 30, 2002	2,895,707	1,675,309	57.9	3,256.49
(Ref.) As of March 31, 2003	2,958,317	1,680,611	56.8	3,274.17

Note: Number of Shares Outstanding:

As of June 30, 2003: 513,274,752 As of June 30, 2002: 514,452,409

As of March 31, 2003: 513,293,833

(3) CASH FLOWS

	Net Cash provided by Operating activities	Net Cash used in Investing activities	Net Cash used in Financing activities	Cash and Cash Equivalents at end of period
1st Quarter ended June 30, 2003	104,712	(34,872)	(10,570)	470,322
1st Quarter ended June 30, 2002	97,372	(41,890)	(9,861)	417,994
(Ref.) Year ended March 31, 2003	303,500	(201,928)	(64,252)	410,130

3. No Change is being made in our forecast for the Fiscal Year ending March 31, 2004.

1. OPERATING RESULTS

(1) An Overview of Financial Results for the First Quarter ended June 30, 2003

During the three-month period ended June 30, 2003, sales of digital cameras and digital minilabs were strong, particularly overseas, and domestic sales of materials for LCDs were robust. However, slack economic conditions in Japan and overseas as well as such factors as the spread of SARS and the conflict in Iraq depressed the number of travelers and reduced overall demand for color films and certain other consumer products. In addition, a general trend of decreased selling prices in each of the Company's business fields played a role in restraining consolidated revenue to ¥608.4 billion, down 0.9% compared with the same period of the previous fiscal year. Domestic revenue fell 1.4%, to ¥315.7 billion, and overseas revenue declined 0.5%, to ¥292.7 billion. Although the Company kept up its efforts to reduce costs and expenses, factors including rises in selling, general, and administrative expenses and R&D expenses caused operating income to decrease 6.0%, to ¥47.1 billion. Reflecting the effect of the gain in the difference in settlement exchange rates for receivables denominated in foreign currencies, income before income taxes grew 19.3%, to ¥47.7 billion, and net income surged 50.4%, to ¥23.3 billion.

The average levels of currency exchange rates during the period were ¥119=US\$1 and ¥133=1 euro.

Imaging Solutions

Consolidated revenue in this segment amounted to ¥193.3 billion, down 7.2% compared with the same period of the previous fiscal year, reflecting factors including the impact of a drop in the number of travelers in Japan and Asian countries as a result of the SARS threat. The Company strengthened its lineup of silver-halide photographic products with the domestic launch of Fujicolor Superia Venus 800/1600, a high-speed color negative film featuring faithful color reproduction and exceptional smooth granularity, as well as the launch of such color reversal films as Velvia 100F, which offers ultrahigh-saturated color and highly accurate color reproduction, and ASTIA 100F, which offers strikingly improved reproduction of skin tone. Regarding digital cameras, the Company countered intensifying competition in the domestic market by promoting sales of the FinePix F410, which can offer increased resolution and sensitivity due to its incorporation of the 4th-Generation Super CCD HR sensor. In the digital camera markets of North America and Europe, which are maintaining their expansion, the Company proactively launched new products and continued to increase its sales. Regarding photofinishing equipment, the Company worked to augment sales of its Digital Minilab Frontier series, which offers its Digital Camera Print Service. In digital printers, the Company launched the Princiao Qn digital print system, which offers printing services for photographs taken by mobile phones with camera functions. In these ways, the Company strove to expand the infrastructure needed for digital printing services.

Information Solutions

Consolidated revenue in this segment totaled ¥182.5 billion, up 3.2% compared with the same period of the previous fiscal year. This rise resulted from factors including the contribution of FUJIFILM Graphic Systems Co., Ltd., which was newly included within the scope of consolidation. In graphic arts system products, the Company emphasized measures to promote growth in sales of products related to computer-to-plate (CTP) systems, launching such products as the HP-S digital thermal CTP plate. Regarding medical imaging products, the Company maintained robust sales of the FCR XG-1 compact digital X-ray diagnostic system, the DRYPIX 7000 dry laser imager, and the SYNAPSE picture archiving and communication system. In industrial materials, sales of liquid crystal display (LCD) materials grew considerably, and the Company proceeded with measures to increase its production capacity for these products. With respect to recording media, the Company worked to increase sales of high-capacity, high-transfer-speed data storage media for servers.

Document Solutions

Consolidated revenue in this segment totaled ¥232.6 billion, up 1.6% compared with the same period of the previous fiscal year. Regarding the Document Service Business, the Company maintained strong sales of the DocuCentre Color 400 CP/320 CP/240CP series of digital color multifunction machines in the Asia-Oceania region and exports of the series to North America and Europe, and overall sales of color copying machines increased considerably. The super-high-speed continuous business form printer products, which were added to the lineup by the acquisition of Fujitsu's printer system business during the previous fiscal year, contributed to sales in this segment. As a means of expanding its after-sales business, the Company collaborated with DDI Pocket, Inc., to begin offering a new printing service at Seven-Eleven stores throughout Japan. An industry first, this service allows customers to quickly and simply print documents and contents from almost anywhere, using the network printing functions of our digital color multifunction machines installed at the stores.

Capital Investment

To respond to demand stemming from the rapid expansion of the market for CCDs incorporated in digital cameras and mobile phones with camera functions, our manufacturing subsidiary FUJIFILM Microdevices Co., Ltd., decided to accept the transfer of the general-use 8-inch wafer manufacturing plant of Tohoku Semiconductor Corporation, with the aim of facilitating increased CCD production. The Fujifilm Group is proactively working to develop its business of supplying Super CCDs incorporated in digital cameras and mobile phones with camera functions as well as CCDs for other applications. By supplying the market with electronic devices featuring higher quality and augmented functions as well as digital equipment, the Company intends to further bolster its operations in the digital imaging field.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. Where any such forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, Fujifilm cautions that assumed facts or bases almost always vary from the actual results, and differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, Fujifilm or its management expresses an expectation or belief as to future results, there can be no guaranty or assurance that the statement of expectation or belief will result or be achieved or accomplished. The words "forecast," "project," "believe," "expect," "estimate," "anticipate," and similar expressions may identify forward-looking statements.

Taking into account the foregoing, the following are identified as important factors, risks or uncertainties that could cause the actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, Fujifilm: competitive factors, including without limitation, pricing, implementation of Fujifilm's product strategies, and economic trends in important markets worldwide.

Fujifilm assumes no obligation to update its forward-looking statements or to advise of any changes in the assumptions and factors on which they are based.

2. CONSOLIDATED BALANCE SHEETS

Amount Unit: Millions of yen

	As of June 30, 2003		As of March 31, 2003		Change	As of June 30, 2002	
ASSETS	%		%			%	
Current assets:							
Cash and cash equivalents		470,322		410,130	60,192		417,994
Marketable securities		29,706		32,639	(2,933)		17,929
Notes and accounts receivable		500,338		521,478	(21,140)		497,061
Inventories		370,892		351,748	19,144		353,349
Other current assets		119,571		113,153	6,418		102,948
Total current assets	49.3	1,490,829	48.3	1,429,148	61,681	48.0	1,389,281
Investments and long-term receivables	13.1	396,510	13.5	400,187	(3,677)	14.9	432,673
Property, plant and equipment	23.4	706,555	23.6	698,248	8,307	24.1	698,711
Other assets	14.2	430,442	14.6	430,734	(292)	13.0	375,042
Total Assets	100.0	3,024,336	100.0	2,958,317	66,019	100.0	2,895,707
LIABILITIES							
Current liabilities:							
Short-term debt		180,453		159,631	20,822		186,676
Notes and accounts payable		300,156		312,907	(12,751)		272,362
Other current liabilities		264,163		239,832	24,331		241,071
Total current liabilities	24.6	744,772	24.1	712,370	32,402	24.2	700,109
Long-term liabilities:							
Long-term debt		127,389		124,404	2,985		130,527
Accrued pension and severance costs		247,223		241,914	5,309		193,952
Other long-term liabilities		66,162		72,938	(6,776)		67,537
Total long-term liabilities	14.6	440,774	14.8	439,256	1,518	13.5	392,016
Minority interests in subsidiaries	4.2	127,313	4.3	126,080	1,233	4.4	128,273
SHAREHOLDERS' EQUITY							
Common stock, without par value:							
Authorized: 800,000,000 shares							
Issued: 514,625,728 shares		40,363		40,363	0		40,363
Additional paid-in capital		68,135		68,135	0		68,135
Retained earnings		1,676,550		1,653,221	23,329		1,632,998
Accumulated other comprehensive income (loss)		(68,642)		(76,243)	7,601		(65,444)
Treasury stock, at cost		(4,929)		(4,865)	(64)		(743)
Total shareholders' equity	56.6	1,711,477	56.8	1,680,611	30,866	57.9	1,675,309
Total Liabilities and Shareholders' Equity	100.0	3,024,336	100.0	2,958,317	66,019	100.0	2,895,707

3. CONSOLIDATED STATEMENTS OF INCOME

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Revenue:						
Sales		518,590		524,948	(6,358)	(1.2)
Rentals		89,843		89,138	705	0.8
	100.0	608,433	100.0	614,086	(5,653)	(0.9)
Cost of sales:						
Sales		314,193		320,651	(6,458)	(2.0)
Rentals		35,002		34,414	588	1.7
	57.4	349,195	57.8	355,065	(5,870)	(1.7)
Gross profit	42.6	259,238	42.2	259,021	217	0.1
Operating expenses:						
Selling, general and administrative	28.3	171,900	27.8	170,580	1,320	0.8
Research and development	6.6	40,273	6.2	38,391	1,882	4.9
	34.9	212,173	34.0	208,971	3,202	1.5
Operating income	7.7	47,065	8.2	50,050	(2,985)	(6.0)
Other income (expenses):						
Interest and dividend income		3,339		2,908	431	
Interest expense		(2,174)		(2,317)	143	
Exchange gains (losses), net		2,384		(8,969)	11,353	
Decline in value of investment securities		(206)		(60)	(146)	
Other, net		(2,724)		(1,640)	(1,084)	
	0.1	619	(1.7)	(10,078)	10,697	
Income before income taxes	7.8	47,684	6.5	39,972	7,712	19.3
Income taxes	3.5	21,795	3.4	21,035	760	3.6
Income before minority interests and equity in net earnings of affiliated companies	4.3	25,889	3.1	18,937	6,952	36.7
Minority interests	(0.6)	(3,258)	(0.6)	(3,264)	6	
Equity in net earnings (losses) of affiliated companies	0.1	698	0.0	(163)	861	
Net income	3.8	23,329	2.5	15,510	7,819	50.4

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002
Operating activities		
Net income	23,329	15,510
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	42,536	42,823
Decline in value of investment securities	206	60
Minority interests	3,258	3,264
Equity in net earnings of affiliated companies, less dividends	413	241
Changes in operating assets and liabilities:		
Notes and accounts receivable	23,031	14,887
Inventories	(10,222)	5,521
Notes and accounts payable - trade	(10,250)	(701)
Accrued income taxes and other liabilities	29,438	11,257
Other	2,973	4,510
Subtotal	81,383	81,862
Net cash provided by operating activities	104,712	97,372
Investing activities		
Payments for purchases of property, plant and equipment	(38,977)	(33,731)
Payments for purchases of software	(5,781)	(5,504)
Proceeds from sales and maturities of marketable and investment securities	11,842	4,758
Payments for purchases of marketable and investment securities	(112)	(48)
Increase in investments in and advances to affiliated companies	(2,877)	(2,156)
Acquisitions of businesses, net of cash acquired	8,234	(2,694)
Other	(7,201)	(2,515)
Net cash used in investing activities	(34,872)	(41,890)
Financing activities		
Proceeds from long-term debt	2,064	2,607
Repayments of long-term debt	(8,392)	(5,504)
Increase in short-term debt	3,956	1,866
Cash dividends paid	(6,417)	(6,431)
Cash dividends paid to minority shareholders	(1,717)	(2,228)
Purchases of stock for treasury, net	(64)	(171)
Net cash used in financing activities	(10,570)	(9,861)
Effect of exchange rate changes on cash and cash equivalents	922	(5,217)
Net increase in cash and cash equivalents	60,192	40,404
Change of fiscal year-end of certain subsidiaries	-	(4,311)
Cash and cash equivalents at beginning of period	410,130	381,901
Cash and cash equivalents at end of period	470,322	417,994

5. DETAILS OF CONSOLIDATED REVENUE

(1) Revenue by product

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Revenue:						
Imaging Solutions	31.8%	193,330	33.9%	208,334	(15,004)	(7.2)
Information Solutions	30.0%	182,528	28.8%	176,933	5,595	3.2
Document Solutions	38.2%	232,575	37.3%	228,819	3,756	1.6
Consolidated total	100.0%	608,433	100.0%	614,086	(5,653)	(0.9)

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

Imaging Solutions	Color film, film cameras, digital cameras, and equipment, color paper, chemicals and services for photofinishing
Information Solutions	Equipment and consumables for graphic arts, medical imaging, and information systems, liquid crystal display materials and recording media
Document Solutions	Office copiers, printers, facsimiles and consumables for document services

(2) Domestic and overseas revenue

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Revenue:						
Domestic	51.9%	315,705	52.1%	320,032	(4,327)	(1.4)
Overseas						
The Americas	22.7%	138,361	24.6%	151,297	(12,936)	(8.6)
Europe	14.5%	88,392	12.6%	77,584	10,808	13.9
Asia and others	10.9%	65,975	10.7%	65,173	802	1.2
Subtotal	48.1%	292,728	47.9%	294,054	(1,326)	(0.5)
Consolidated total	100.0%	608,433	100.0%	614,086	(5,653)	(0.9)

6. SEGMENT INFORMATION

(1) Operating segments

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	31.8%	193,330	33.9%	208,334	(15,004)	(7.2)
Intersegment		240		72	168	-
Total		193,570		208,406	(14,836)	(7.1)
Information Solutions:						
External customers	30.0%	182,528	28.8%	176,933	5,595	3.2
Intersegment		1,077		912	165	-
Total		183,605		177,845	5,760	3.2
Document Solutions:						
External customers	38.2%	232,575	37.3%	228,819	3,756	1.6
Intersegment		2,724		2,487	237	-
Total		235,299		231,306	3,993	1.7
Eliminations		(4,041)		(3,471)	(570)	-
Consolidated total	100.0%	608,433	100.0%	614,086	(5,653)	(0.9)

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Operating Income:						
Imaging Solutions	9.0%	17,352	7.4%	15,347	2,005	13.1
Information Solutions	7.9%	14,579	11.7%	20,808	(6,229)	(29.9)
Document Solutions	6.4%	15,067	6.2%	14,227	840	5.9
Total		46,998		50,382	(3,384)	(6.7)
Eliminations		67		(332)	399	-
Consolidated total	7.7%	47,065	8.2%	50,050	(2,985)	(6.0)

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

Imaging Solutions	Color film, film cameras, digital cameras, and equipment, color paper, chemicals and services for photofinishing
Information Solutions	Equipment and consumables for graphic arts, medical imaging, and information systems, liquid crystal display materials and recording media
Document Solutions	Office copiers, printers, facsimiles and consumables for document services

(2) Geographic information

Three months ended June 30, 2003 and 2002

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Revenue:						
Japan						
External customers	62.2%	378,254	61.4%	377,081	1,173	0.3
Intersegment		77,246		72,499	4,747	-
Total		455,500		449,580	5,920	1.3
The Americas						
External customers	20.0%	121,571	22.2%	136,607	(15,036)	(11.0)
Intersegment		1,206		1,630	(424)	-
Total		122,777		138,237	(15,460)	(11.2)
Europe						
External customers	11.5%	69,838	10.5%	64,443	5,395	8.4
Intersegment		3,145		1,427	1,718	-
Total		72,983		65,870	7,113	10.8
Asia and others						
External customers	6.3%	38,770	5.9%	35,955	2,815	7.8
Intersegment		21,741		23,313	(1,572)	-
Total		60,511		59,268	1,243	2.1
Eliminations		(103,338)		(98,869)	(4,469)	-
Consolidated total	100.0%	608,433	100.0%	614,086	(5,653)	(0.9)

Amount Unit: Millions of yen

	Three months ended June 30, 2003 From April 1, 2003 To June 30, 2003		Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Change	
					Amount	%
Operating Income:						
Japan	8.3%	37,607	8.1%	36,521	1,086	3.0
The Americas	4.6%	5,593	6.1%	8,461	(2,868)	(33.9)
Europe	4.4%	3,198	4.6%	3,046	152	5.0
Asia and others	4.5%	2,707	5.2%	3,065	(358)	(11.7)
Eliminations	-	(2,040)	-	(1,043)	(997)	-
Consolidated total	7.7%	47,065	8.2%	50,050	(2,985)	(6.0)