


FUJI PHOTO FILM CO., LTD.

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President, Representative Director

URL: <http://home.fujifilm.com/>

Financial Results (Non-Consolidated) for Six months ended September 30, 2002

Date of Board Meeting for the first half of fiscal year ended March 31, 2003: October 31, 2002

Payment date of Interim cash dividends: December 5, 2002

The Company has a policy of paying interim dividends.

Trading unit of the Company consists of 1,000 shares on the Tokyo Stock Exchange.

1. Results of Six months ended September 30, 2002 (From April 1, 2002 to September 30, 2002)

(1) FINANCIAL RESULTS

Amount Unit: Millions of yen unless otherwise specified

	Net Sales		Operating Income		Ordinary Income	
		%		%		%
Six months ended Sept. 30, 2002	390,160	(8.0)	38,820	(15.5)	41,474	(10.6)
Six months ended Sept. 30, 2001	424,202	1.5	45,927	(0.6)	46,409	1.7
Year ended March 31, 2002	847,747		95,083		100,688	

	Net Income		Net Income Per Share of Common Stock
		%	Yen
Six months ended Sept. 30, 2002	23,197	(16.7)	45.09
Six months ended Sept. 30, 2001	27,832	10.1	54.08
Year ended March 31, 2002	57,160		111.08

Notes 1. Average number of shares:

Six months ended Sept. 30, 2002: 514,437,040 Six months ended Sept. 30, 2001: 514,625,728 Year ended March 31, 2002: 514,583,432

2. Change in Accounting Policies: Applicable

3. Percent: Change against corresponding period of the previous year on Net Sales, Operating Income, Ordinary Income, Net Income.

(2) CASH DIVIDENDS

	Interim Cash Dividends per Share of Common Stock	Total Cash Dividends per Share of Common Stock
	Yen	Yen
Six months ended Sept. 30, 2002	12.50	-
Six months ended Sept. 30, 2001	12.50	-
Year ended March 31, 2002	-	25.00

(3) FINANCIAL POSITION

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio to Total Assets	Shareholders' Equity Per Share of Common Stock
			%	Yen
As of Sept. 30, 2002	1,676,173	1,450,270	86.5	2,819.73
As of Sept. 30, 2001	1,642,105	1,412,535	86.0	2,744.78
As of March 31, 2002	1,656,150	1,433,315	86.5	2,785.87

Notes 1. Number of shares outstanding:

As of Sept. 30, 2002: 514,329,908 As of Sept. 30, 2001: 514,625,728 As of March 31, 2002: 514,495,085

2. Number of treasury stocks:

As of Sept. 30, 2002: 295,820 As of Sept. 30, 2001: 6,256 As of March 31, 2002: 130,643

2. Forecast for the Fiscal Year ending March 31, 2003 (From April 1, 2002 to March 31, 2003)

	Net Sales	Operating Income	Ordinary Income	Net Income	Cash Dividends per Share of Common Stock for the year (Year-end Cash Dividends)	
					Yen	Yen
For Year ending March 31, 2003	790,000	80,000	88,000	49,000	12.50	25.00

(Reference) Expected Net Income per Share of Common Stock for Year ending March 31, 2003: ¥95.27

Note: These forecast are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in the forward-looking statements.

1. BALANCE SHEETS (Non-Consolidated)

Amount Unit: Millions of yen

	As of September 30, 2002		As of March 31, 2002		Change	As of September 30, 2001	
ASSETS	%		%			%	
Current assets							
Cash on hand and in banks		262,977		227,865	35,112		187,612
Trade notes receivable		25,388		28,168	(2,780)		27,340
Trade accounts receivable		131,645		141,105	(9,460)		137,661
Other account receivable		11,167		15,477	(4,310)		11,615
Short-term loans receivable		16,134		5,606	10,528		5,706
Marketable securities		14,939		16,315	(1,376)		107,308
	27.6	462,254	26.2	434,539	27,715	29.1	477,245
Finished goods		37,461		42,920	(5,459)		45,744
Semi-finished goods, Work in process		26,423		26,815	(392)		27,438
Raw materials		13,033		16,297	(3,264)		15,305
Supplies		6,635		6,771	(136)		6,828
	5.0	83,554	5.6	92,804	(9,250)	5.8	95,317
Deferred income taxes		12,310		11,644	666		11,242
Other current assets		1,304		1,499	(195)		1,746
Allowance for doubtful receivables		(160)		(430)	270		(410)
Total current assets	33.4	559,263	32.6	540,057	19,206	35.6	585,142
Fixed assets							
Property, plant and equipment							
Building		82,334		83,596	(1,262)		78,614
Structures		7,243		7,274	(31)		7,327
Machinery and equipment		110,391		109,366	1,025		102,009
Vehicles, furniture and fixtures		25,504		25,606	(102)		26,637
Land		20,688		20,688	0		20,678
Construction in progress		20,353		13,317	7,036		14,654
Subtotal	15.9	266,516	15.7	259,849	6,667	15.2	249,921
Intangible assets							
Software		27,563		27,528	35		27,190
Rights of utilization		2,155		2,208	(53)		2,152
Subtotal	1.8	29,718	1.8	29,736	(18)	1.8	29,343
Investments							
Investments securities		251,788		264,195	(12,407)		227,252
Investments in subsidiaries		554,811		540,871	13,940		527,649
Long-term loans receivable		3,019		10,718	(7,699)		13,391
Long-term prepaid expenses		5,616		6,082	(466)		6,030
Deferred income taxes		3,151		2,354	797		1,084
Other investments		2,426		2,454	(28)		2,480
Allowance for doubtful receivable		(140)		(170)	30		(190)
Subtotal	48.9	820,674	49.9	826,507	(5,833)	47.4	777,698
Total fixed assets	66.6	1,116,909	67.4	1,116,093	816	64.4	1,056,963
Total Assets	100.0	1,676,173	100.0	1,656,150	20,023	100.0	1,642,105

Amount Unit: Millions of yen

	As of September 30, 2002		As of March 31, 2002		Change	As of September 30, 2001	
	%		%			%	
LIABILITIES							
Current liabilities							
Trade notes payable		27,986		30,461	(2,475)		33,358
Trade accounts payable		59,177		51,352	7,825		51,275
Other accounts payable		24,087		21,788	2,299		24,828
Accrued income taxes		13,103		13,703	(600)		16,434
Accrued expenses		50,343		55,144	(4,801)		51,487
Other current liabilities		1,504		1,507	(3)		1,878
Total current liabilities	10.5	176,202	10.5	173,959	2,243	10.9	179,262
Long-term liabilities							
Customers' guarantee deposits		32,651		31,852	799		31,709
Accrued pension and severance costs		16,651		16,558	93		18,162
Directors' retirement benefit		398		464	(66)		436
Total long-term liabilities	3.0	49,700	3.0	48,875	825	3.1	50,307
Total liabilities	13.5	225,903	13.5	222,835	3,068	14.0	229,570
SHAREHOLDERS' EQUITY							
Common stock	2.4	40,363	2.4	40,363	0	2.5	40,363
Retained capital							
Additional paid-in capital	3.5	58,980	3.6	58,980	0	3.6	58,980
Retained earnings							
Additional paid-in earnings	0.6	10,090	0.6	10,090	0	0.6	10,090
Reserve for dividends		280		280	0		280
Reserve for retirement allowance		280		280	0		280
Reserve for R&D		285		285	0		285
Reserve for overseas investments loss		26		39	(13)		39
Reserve for additional depreciation		422		462	(40)		462
Reserve for deferred capital gain for reinvestment in property		777		806	(29)		806
General reserve		1,289,305		1,245,305	44,000		1,245,305
Total voluntary reserve	77.0	1,291,376	75.3	1,247,458	43,918	76.0	1,247,458
Unappropriated retained earnings	2.3	38,997	4.0	66,237	(27,240)	2.6	43,342
[Net income included above]	[1.4]	[23,197]	[3.5]	[57,160]	[(33,963)]	[1.7]	[27,832]
Total retained earnings	79.9	1,340,464	79.9	1,323,787	16,677	79.2	1,300,892
Unrealized gains on securities	0.7	11,656	0.6	10,755	901	0.7	12,299
Treasury stocks		(1,195)		(571)	(624)		-
Total shareholders' equity	86.5	1,450,270	86.5	1,433,315	16,955	86.0	1,412,535
Total Liabilities and Shareholders' Equity	100.0	1,676,173	100.0	1,656,150	20,023	100.0	1,642,105

2. STATEMENTS OF INCOME (Non-Consolidated)

Amount Unit: Millions of yen

	Six months ended September 30, 2002 From April 1, 2002 To Sept. 30, 2002		Six months ended September 30, 2001 From April 1, 2001 To Sept. 30, 2001		Change		Year ended March 31, 2002 From April 1, 2001 To March 31, 2002	
					Amount	%		
Operating revenues	%		%				%	
Net sales	100.0	390,160	100.0	424,202	(34,042)	(8.0)	100.0	847,747
Operating expenses								
Cost of sales	63.2	246,354	57.4	243,366	2,988	1.2	56.6	480,034
Selling, general and administrative expenses	17.4	67,763	23.3	98,980	(31,217)	(31.5)	23.7	200,698
Research and development expenses	9.5	37,222	8.5	35,929	1,293	3.6	8.5	71,931
Total operating expenses	90.1	351,340	89.2	378,275	(26,935)	(7.1)	88.8	752,664
Operating income	9.9	38,820	10.8	45,927	(7,107)	(15.5)	11.2	95,083
Other income								
Interest income		1,218		1,291	(73)	(5.7)		2,448
Dividends income		7,020		1,355	5,665	418.1		1,720
Miscellaneous income		384		778	(394)	(50.6)		5,330
Total other income	2.2	8,622	0.8	3,425	5,197	151.7	1.1	9,499
Other expenses								
Interest expenses		258		304	(46)	(15.1)		578
Bank charges for export drafts discounted		243		593	(350)	(59.0)		903
Miscellaneous expenses		5,467		2,044	3,423	167.5		2,412
Total other expenses	1.5	5,969	0.7	2,942	3,027	102.9	0.4	3,894
Ordinary income	10.6	41,474	10.9	46,409	(4,935)	(10.6)	11.9	100,688
Extraordinary losses								
Loss on disposal of fixed assets		3,233		1,903	1,330	69.9		3,373
Write-down of securities investments		2,758		1,466	1,292	88.1		3,602
Total extraordinary losses	1.5	5,991	0.8	3,369	2,622	77.8	0.8	6,975
Net income before income taxes	9.1	35,482	10.1	43,039	(7,557)	(17.6)	11.1	93,713
Current income taxes	3.7	14,400	3.4	14,600	(200)	(1.4)	4.4	36,500
Deferred income taxes	(0.5)	(2,115)	0.1	607	(2,722)	(448.4)	0.0	52
Net income	5.9	23,197	6.6	27,832	(4,635)	(16.7)	6.7	57,160
Retained earnings brought forward		15,799		15,509	290			15,509
Interim dividends paid		-		-	-			6,432
Unappropriated retained earnings		38,997		43,342	(4,345)			66,237

3. DETAILS OF NET SALES (Non-Consolidated)**(1) Net sales by product**

Amount Unit: Millions of yen

	Six months ended September 30, 2002 From April 1, 2002 To Sept. 30, 2002		Six months ended September 30, 2001 From April 1, 2001 To Sept. 30, 2001		Change	
					Amount	%
Net sales:						
Imaging Solutions	55.4%	216,072	56.3%	238,698	(22,626)	(9.5)
Information Solutions	44.6%	174,088	43.7%	185,504	(11,416)	(6.2)
Total	100.0%	390,160	100.0%	424,202	(34,042)	(8.0)

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

Imaging Solutions	Color film, conventional cameras, digital cameras, lab equipment and color paper, chemicals for photofinishing
Information Solutions	Equipment and consumables for graphic arts, medical imaging, and information systems, liquid crystal display materials and recording media

(2) Domestic and export sales

Amount Unit: Millions of yen

	Six months ended September 30, 2002 From April 1, 2002 To Sept. 30, 2002		Six months ended September 30, 2001 From April 1, 2001 To Sept. 30, 2001		Change	
					Amount	%
Net sales:						
Domestic	52.3%	204,152	58.8%	249,536	(45,384)	(18.2)
Export	47.7%	186,008	41.2%	174,666	11,342	6.5
Total	100.0%	390,160	100.0%	424,202	(34,042)	(8.0)

NOTES**1. NOTES TO THE BALANCE SHEETS**

Amount Unit: Millions of yen

	As of September 30, 2002	As of March 31, 2002	Change	As of September 30, 2001
Accumulated depreciation of tangible fixed assets	719,849	713,510	6,339	699,351
Contingent liabilities for guarantees	82,439	92,870	(10,431)	86,521
Amount of export bills discounted	5,947	6,307	(360)	6,957
Number of treasury stocks	295,820 shares	130,643 shares	165,177 shares	6,256 shares
Treasury stocks included in marketable securities	-	-	-	27

2. FINANCE LEASE CONTRACTS (Finance leases other than those which are deemed to transfer ownership of the leased assets to lessees)**(1) Equivalent amount of the acquisition cost, the accumulated depreciation and the net balance at the year end of the leased assets**

Amount Unit: Millions of yen

	Six months ended September 30, 2002			Six months ended September 30, 2001			Year ended March 31, 2002		
	A	B	C	A	B	C	A	B	C
Machinery and equipment	239	73	165	239	46	192	239	60	179
Vehicles, furniture and fixtures	499	236	262	692	423	269	612	384	227
Softwares etc.	63	30	33	94	51	42	85	51	34
Total	801	340	461	1,026	522	504	937	495	441

Notes: 1. Above A,B,C indicated
A: Equivalent amount of the acquisition cost
B: Equivalent amount of the accumulated depreciation
C: Equivalent amount of net balance

2. Equivalent amount of the acquisition cost includes the interest cost on lease payments because the amount is not material compared with the balance of tangible fixed assets.

(2) The future minimum leases payments at the end of the respective periods

	As of September 30, 2002	As of September 30, 2001	As of March 31, 2002
	(Millions of yen)		
One year or less	144	143	134
Over one year	316	361	307
Total	461	504	441

Note: The future minimum leases payments at the end of the respective periods include the interest cost on lease payments because the amount is not material compared with the balance of tangible fixed assets.

(3) Lease payments and equivalent amount of the depreciation expense

	Six months ended September 30, 2002	Six months ended September 30, 2001	Year ended March 31, 2002
	(Millions of yen)		
Lease payment	80	104	181
Equivalent amount of the depreciation expenses	80	104	181

(4) Method of equivalent amount of the depreciation expenses

Equivalent amount of the depreciation expenses is computed on a straight-line method over the lease period without residual value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Securities

Investments in subsidiaries and affiliated companies are stated at cost determined by the moving average method.

Other securities that have fair values are stated at fair value, with unrealized gains and losses excluded from earnings and included in a separate component of shareholders' equity on a net-of-tax basis. Realized gains and losses on sales of securities are based on the moving average cost of the securities sold.

Other securities that do not have fair values are stated at cost determined by the moving average method.

(2) Inventories

Finished goods, semi-finished goods, work in process, supplemental materials and supplies are stated at the lower of moving average cost or market. Silver nitrate included in semi-finished goods and work in process, and principal raw materials are stated at the lower of cost or market determined by the last-in, first-out method.

(3) Depreciation and amortization

Depreciation of property, plant and equipment is computed by the declining-balance method except that depreciation of buildings acquired on and after April 1, 1998 is computed by the straight-line method.

Intangible assets are amortized by the declining-balance method assuming a nil residual value; however, software is amortized by the straight-line method.

(4) Reserves

Allowance for doubtful receivables

The allowance for doubtful receivables is provided at the amount of estimated uncollectible accounts, based on individual collectibility with respect to identified doubtful receivables and past experience of doubtful receivables.

Pension and severance benefits

Pension and severance costs for employees are accrued based on an estimate of the pension obligation and the plan assets at the end of the year.

The allowance for officers' retirement benefits is provided on the basis of the Company's internal regulations for officers' retirement benefits at the amount which would be required to be paid if all officers retired at the balance sheet date.

Directors' retirement benefits

The allowance for directors' retirement benefits is provided on the basis of the Company's internal regulations for directors' retirement benefits at the amount which would be required to be paid if all directors retired at the balance sheet date. This allowance is established under Article 287-2 of the Commercial Code of Japan.

(5) Accounting for consumption tax

Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.

Change in Accounting Policies

Due to intensified price competition in the market, certain sales incentives are being offered on a regular basis. These expenses are in substance sales price adjustments, similar to sales rebates or the reduction in sales prices.

Effective for the six month period ended September 30, 2002, the income statement classification of these expenses was changed to reduce selling expenses and to deduct such costs from revenue in order to provide a better classification between the operating revenues and operating expenses.

This change resulted in reducing both net sales and selling, general and administrative expenses by ¥31,033 million for the six months ended September 30, 2002 with no effect on operating income and ordinary income.

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.