

**FUJI PHOTO FILM CO., LTD.**
<http://home.fujifilm.com/>
**Financial Results (Consolidated)  
for the First Quarter ended June 30, 2002**
**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.
- Change in Accounting Policies: Non
- (2) Change in Scope of Consolidation and Equity Method: Changed
- Consolidated Subsidiaries: 175 subsidiaries
  - Unconsolidated Subsidiaries: 57 subsidiaries (equity method is applied to all subsidiaries)
  - 20 percent to 50 percent owned companies: 63 companies (equity method is applied to all companies)
- (3) Review of quarterly financial information consisting primarily of inquiries and analytical procedures to financial information was performed by independent auditors.

**2. Results of the First Quarter ended June 30, 2002 (From April 1, 2002 to June 30, 2002)**

Amount Unit: Millions of yen unless otherwise specified

**(1) FINANCIAL RESULTS**

	Revenue		Operating Income		Income before Income Taxes		Net Income	
		%		%		%		%
1st Quarter ended June 30, 2002	614,086	4.8	50,050	(4.1)	39,972	(33.7)	15,510	(48.1)
1st Quarter ended June 30, 2001	585,863	-	52,189	-	60,286	-	29,898	-
(Ref.) Year ended March 31, 2002	2,401,144		168,682		159,549		81,331	

	Net Income Per Share of Common Stock	Net Income Per Share of Common Stock (Assuming Full Dilution)
	Yen	Yen
1st Quarter ended June 30, 2002	30.15	-
1st Quarter ended June 30, 2001	58.10	-
(Ref.) Year ended March 31, 2002	158.05	-

Notes 1. Average number of shares:

First Quarter ended June 30, 2002: 514,467,657      First Quarter ended June 30, 2001: 514,607,789

Year ended March 31, 2002: 514,583,432

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, 2002	2,895,707	1,675,309	57.9	3,256.49
As of June 30, 2001	2,854,143	1,656,167	58.0	3,218.42
(Ref.) As of March 31, 2002	2,946,362	1,698,063	57.6	3,300.45

Note: Number of Shares Outstanding:

As of June 30, 2002: 514,452,409      As of June 30, 2001: 514,590,804

As of March 31, 2002: 514,495,085

## **1. OPERATING RESULTS**

### **(1) Financial results for the First Quarter ended June 30, 2002**

For the first quarter ended June 30, 2002, Fuji Photo Film Co., Ltd. (Fujifilm), recorded consolidated revenue in the amount of ¥614.0 billion, a 4.8% increase compared with the same period of the previous fiscal year, due mainly to the strong sales of such digital products as digital minilabs and digital cameras as well as the weakness of the yen against the U.S. dollar and the Euro. Domestic revenue totaled ¥320.0 billion, a 4.5% decrease, and overseas revenue amounted to ¥294.0 billion, up 17.3%. Operating income totaled ¥50.0 billion, down 4.1%, income before income taxes decreased 33.7%, to ¥39.9 billion, and net income 48.1%, to ¥15.5 billion. The substantial decline in income before income taxes and net income was due to losses resulting from foreign currency transactions caused by the sudden appreciation of the yen against the U.S. dollar during the period, and the inclusion of a one time gain of ¥9.0 billion before tax and ¥5.2 billion after tax on the exchange of securities in the same period of the previous fiscal year.

#### **Imaging Solutions**

Consolidated revenue in this segment rose 9.3%, to ¥208.3 billion. During the period under review, Fujifilm participated in the sponsorship of 2002 FIFA World Cup Korea/Japan™, which was held in Asia for the first time. In addition, the Company strove to raise sales of its color film and one-time-use recyclable cameras by taking advantage of the increased photo opportunities created by its various campaigns in Japan, Korea, Europe, Central America, South America, and other regions. Sales of digital cameras were strong in Europe and North America, and Fujifilm augmented its lineup of digital cameras with the introduction of the new FinePix F401 for the Japanese market. In laboratory equipment, the Company strove to further expand sales of its Frontier series of digital minilabs, while at the same time conducting large-scale digital print tryout campaigns in Japan to increase demand for photographic prints from digital cameras.

#### **Information Solutions**

Consolidated revenue in this segment rose 16.4%, to ¥176.9 billion. In products for graphic arts systems, the Company has been boosting sales with the new consolidation of Enovation Graphic Systems, Inc., of the United States. In medical imaging system products, sales of the compact digital X-ray diagnostic system FCR XG-1 displayed strong growth in North America and Europe as well as in Japan. In industrial materials, we expanded production capacity for WV FILM, which uses our proprietary technology to widen viewing angles in LCDs, and recorded a substantial increase in sales. In recording media, sales were strong of high-volume LTO Ultrium 1 backup tape and other products.

\* Note: LTO and Ultrium are U.S. trademarks of Hewlett-Packard, IBM, and Seagate.

#### **Document Solutions**

Consolidated revenue in this segment declined 6.0%, to ¥228.8 billion. The digital multifunction DocuCentre Color 400 CP/320 CP, launched in December 2001, continued to make a substantial contribution to increased sales of color machines. However, copying machine sales fell in Japan due to factors such as reluctance by customers to invest in new equipment amid the current economic upheaval and a downturn in exports to the United States due to the slowdown of its economy. Consequently, revenue declined compared with the same period of the previous fiscal year.

## 2. CONSOLIDATED BALANCE SHEETS

Amount Unit: Millions of yen

	As of June 30, 2002		As of March 31, 2002		Change	As of June 30, 2001	
<b>ASSETS</b>	%		%			%	
Current assets:							
Cash and cash equivalents		417,994		381,901	36,093		458,361
Marketable securities		17,929		16,369	1,560		6,347
Notes and accounts receivable		497,061		530,499	(33,438)		492,796
Inventories		353,349		358,503	(5,154)		384,046
Other current assets		102,948		101,974	974		91,177
Total current assets	48.0	1,389,281	47.2	1,389,246	35	50.2	1,432,727
Investments and long-term receivables	14.9	432,673	15.0	442,956	(10,283)	14.0	398,516
Property, plant and equipment	24.1	698,711	24.7	726,877	(28,166)	24.0	685,394
Other assets	13.0	375,042	13.1	387,283	(12,241)	11.8	337,506
<b>Total Assets</b>	<b>100.0</b>	<b>2,895,707</b>	<b>100.0</b>	<b>2,946,362</b>	<b>(50,655)</b>	<b>100.0</b>	<b>2,854,143</b>
<b>LIABILITIES</b>							
Current liabilities:							
Short-term debt		186,676		187,254	(578)		255,925
Notes and accounts payable		272,362		282,460	(10,098)		302,416
Other current liabilities		241,071		251,083	(10,012)		228,637
Total current liabilities	24.2	700,109	24.5	720,797	(20,688)	27.6	786,978
Long-term liabilities:							
Long-term debt		130,527		137,446	(6,919)		83,349
Accrued pension and severance costs		193,952		190,155	3,797		133,317
Other long-term liabilities		67,537		69,435	(1,898)		69,495
Total long-term liabilities	13.5	392,016	13.5	397,036	(5,020)	10.0	286,161
Minority interests in subsidiaries	4.4	128,273	4.4	130,466	(2,193)	4.4	124,837
<b>SHAREHOLDERS' EQUITY</b>							
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		1,632,998		1,618,270	14,728		1,579,701
Accumulated other comprehensive income (loss)		(65,444)		(28,133)	(37,311)		(31,850)
Treasury stock		(743)		(572)	(171)		(182)
Total shareholders' equity	57.9	1,675,309	57.6	1,698,063	(22,754)	58.0	1,656,167
<b>Total Liabilities and Shareholders' Equity</b>	<b>100.0</b>	<b>2,895,707</b>	<b>100.0</b>	<b>2,946,362</b>	<b>(50,655)</b>	<b>100.0</b>	<b>2,854,143</b>

### 3. CONSOLIDATED STATEMENTS OF INCOME

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
	%		%			
Revenue:						
Sales		524,948		495,221	29,727	6.0
Rentals		89,138		90,642	(1,504)	(1.7)
	100.0	614,086	100.0	585,863	28,223	4.8
Cost of sales:						
Sales		320,651		301,160	19,491	6.5
Rentals		34,414		33,616	798	2.4
	57.8	355,065	57.2	334,776	20,289	6.1
Gross profit	42.2	259,021	42.8	251,087	7,934	3.2
Operating expenses:						
Selling, general and administrative	27.8	170,580	27.8	163,161	7,419	4.5
Research and development	6.2	38,391	6.1	35,737	2,654	7.4
	34.0	208,971	33.9	198,898	10,073	5.1
Operating income	8.2	50,050	8.9	52,189	(2,139)	(4.1)
Other income (expenses):						
Interest and dividend income		2,908		3,529	(621)	
Interest expense		(2,317)		(3,287)	970	
Exchange losses, net		(8,969)		(483)	(8,486)	
Gain on the exchange of securities		-		9,018	(9,018)	
Other, net		(1,700)		(680)	(1,020)	
	(1.7)	(10,078)	1.4	8,097	(18,175)	(224.5)
Income before income taxes	6.5	39,972	10.3	60,286	(20,314)	(33.7)
Income taxes	3.4	21,035	4.6	27,065	(6,030)	(22.3)
Income before minority interests and equity in net earnings (losses) of affiliated companies	3.1	18,937	5.7	33,221	(14,284)	(43.0)
Minority interest in income of consolidated subsidiaries	(0.6)	(3,264)	(0.6)	(3,807)	543	14.3
Equity in net earnings (losses) of affiliated companies	-	(163)	-	484	(647)	(133.7)
Net income	2.5	15,510	5.1	29,898	(14,388)	(48.1)

#### 4. DETAILS OF CONSOLIDATED REVENUE

##### (1) Revenue by product

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Revenue:						
Imaging Solutions	33.9%	208,334	32.6%	190,577	17,757	9.3
Information Solutions	28.8%	176,933	25.9%	151,965	24,968	16.4
Document Solutions	37.3%	228,819	41.5%	243,321	(14,502)	(6.0)
Consolidated total	100.0%	614,086	100.0%	585,863	28,223	4.8

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 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

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Revenue:						
Domestic	52.1%	320,032	57.2%	335,218	(15,186)	(4.5)
Overseas						
Americas	24.6%	151,297	21.2%	124,062	27,235	22.0
Europe	12.6%	77,584	11.8%	69,239	8,345	12.1
Asia and others	10.7%	65,173	9.8%	57,344	7,829	13.7
Subtotal	47.9%	294,054	42.8%	250,645	43,409	17.3
Consolidated total	100.0%	614,086	100.0%	585,863	28,223	4.8

## 5. SEGMENT INFORMATION

### (1) Operating segments

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Revenue:						
Imaging Solutions:						
External customers	33.9%	208,334	32.6%	190,577	17,757	9.3
Intersegment		72		64	8	-
Total		208,406		190,641	17,765	9.3
Information Solutions:						
External customers	28.8%	176,933	25.9%	151,965	24,968	16.4
Intersegment		912		807	105	-
Total		177,845		152,772	25,073	16.4
Document Solutions:						
External customers	37.3%	228,819	41.5%	243,321	(14,502)	(6.0)
Intersegment		2,487		2,617	(130)	-
Total		231,306		245,938	(14,632)	(5.9)
Eliminations		(3,471)		(3,488)	17	-
Consolidated total	100.0%	614,086	100.0%	585,863	28,223	4.8

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Operating Income:						
Imaging Solutions	7.4%	15,347	9.2%	17,478	(2,131)	(12.2)
Information Solutions	11.7%	20,808	12.0%	18,357	2,451	13.4
Document Solutions	6.2%	14,227	6.6%	16,128	(1,901)	(11.8)
Total		50,382		51,963	(1,581)	(3.0)
Eliminations		(332)		226	(558)	-
Consolidated total	8.2%	50,050	8.9%	52,189	(2,139)	(4.1)

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 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

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Revenue:						
Japan						
External customers	61.4%	377,081	66.7%	390,518	(13,437)	(3.4)
Intersegment		72,499		63,220	9,279	-
Total		449,580		453,738	(4,158)	(0.9)
Americas						
External customers	22.2%	136,607	17.8%	104,543	32,064	30.7
Intersegment		1,630		1,566	64	-
Total		138,237		106,109	32,128	30.3
Europe						
External customers	10.5%	64,443	9.5%	55,949	8,494	15.2
Intersegment		1,427		3,422	(1,995)	-
Total		65,870		59,371	6,499	10.9
Asia and others						
External customers	5.9%	35,955	6.0%	34,853	1,102	3.2
Intersegment		23,313		13,881	9,432	-
Total		59,268		48,734	10,534	21.6
Eliminations		(98,869)		(82,089)	(16,780)	-
Consolidated total	100.0%	614,086	100.0%	585,863	28,223	4.8

Amount Unit: Millions of yen

	Three months ended June 30, 2002 From April 1, 2002 To June 30, 2002		Three months ended June 30, 2001 From April 1, 2001 To June 30, 2001		Change	
					Amount	%
Operating Income:						
Japan	8.1%	36,521	9.5%	43,214	(6,693)	(15.5)
Americas	6.1%	8,461	4.6%	4,925	3,536	71.8
Europe	4.6%	3,046	2.1%	1,266	1,780	140.6
Asia and others	5.2%	3,065	4.3%	2,095	970	46.3
Eliminations	-	(1,043)	-	689	(1,732)	-
Consolidated total	8.2%	50,050	8.9%	52,189	(2,139)	(4.1)

### 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.