At Fujifilm, we are continuously innovating — creating new technologies, products and services that inspire and excite people everywhere. Our goal is to empower the potential and expand the horizons of tomorrow’s businesses and lifestyles.

CORPORATE SLOGAN

Value from Inno

Corporate Philosophy

The Unchanging Values of the Fujifilm Group
We will use leading-edge, proprietary technologies to provide top-quality products and services that contribute to the advancement of culture, science, technology and industry, as well as improved health and environmental protection in society. Our overarching aim is to help enhance the quality of life of people worldwide.

Vision

What the Fujifilm Group Will Strive to Achieve
Anchored by an open, fair and clear corporate culture and with leading-edge, proprietary technologies, Fujifilm is determined to remain a leading company by boldly taking up the challenge of developing new products and creating new value.
General Disclaimer

The information contained in this integrated report concerning business performance and results forecasts, excluding statements of objective fact, are based on management’s views that have been made in accordance with information available at the time of issue. These forward-looking statements involve risks and uncertainties. Actual results may materially differ from those discussed in the forward-looking statements due to a variety of factors, including trends in economic conditions and markets in which the Company operates as well as fluctuations in foreign currency exchange rates. The contents of amendments to earnings releases for prior fiscal years, which were announced in 2017, have reflected on the numerical data for FY2011/3 to FY2016/3. Unless otherwise specified in this integrated report, the information herein is as of March 31, 2019.

About the Fujifilm Group

“NEVER STOP” is the key message of our global branding campaign launched in countries all over the world, aiming to accurately communicate the Fujifilm Group’s ambition to expand into a broad array of businesses and embrace challenges in new areas. Since our founding, we have continued to not only grow as a company, but also solve various social issues while drawing on our cutting-edge proprietary technology to spark innovation and providing new value. Our key message represents the Fujifilm Group’s commitment to constantly moving forward.

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Integrated Report (Editorial Policy)

This report mainly contains financial and non-financial information regarding the Fujifilm Group’s corporate activities that is believed to be highly important for shareholders/investors as well as growth strategies and other relevant matters. We also disclose the Fujifilm Group’s business and diverse CSR activities to a wide spectrum of stakeholders, including local communities and society, customers, investors, business partners and employees, through FUJIFILM Holdings’ corporate site, including this Integrated Report and our Sustainability Report. Please visit our site for more information.

FUJIFILM Holdings Corporation Corporate Site
https://www.fujifilmholdings.com/en/

FUJIFILM Holdings Corporation Sustainability Report

General Disclaimer

The information contained in this integrated report concerning business performance and results forecasts, excluding statements of objective fact, are based on management’s views that have been made in accordance with information available at the time of issue. These forward-looking statements involve risks and uncertainties. Actual results may materially differ from those discussed in the forward-looking statements due to a variety of factors, including trends in economic conditions and markets in which the Company operates as well as fluctuations in foreign currency exchange rates. The contents of amendments to earnings releases for prior fiscal years, which were announced in 2017, have reflected on the numerical data for FY2011/3 to FY2016/3. Unless otherwise specified in this integrated report, the information herein is as of March 31, 2019.
## Value Creation History

Since its founding, Fujifilm has consistently anticipated the future, amassed a wide range of technologies, and provided innovative products and services to contribute to society and continue to grow as a company. A key to the growth is the advanced and various technologies cultivated through our photographic film business. Fujifilm promoted a growth strategy by identifying domains with a competitive advantage and expected growth, and centering on a variety of technologies such as optics, chemicals and electronics, which are needed to develop and produce photo-related products. Here, we will explain the history of innovation in the Fujifilm Group.

### About the Fujifilm Group

- Established in 1934. Launched domestically made positive film for motion pictures
- Diversified business operations into the medical, graphic systems and related fields by sales of X-ray and graphic arts film
- Forged a robust position as a manufacturer of comprehensive photosensitive materials
- Expanded into the lens and optical fields

### 1934~1950s

**Domestic production of film and establishment of sales network in Japan**

- Established in 1934. Launched domestically made positive film for motion pictures
- Diversified business operations into the medical, graphic systems and related fields by sales of X-ray and graphic arts film
- Forged a robust position as a manufacturer of comprehensive photosensitive materials
- Expanded into the lens and optical fields

### 1960~1970s

**Expansion of Business / Improvement of Technologies**

- Commenced development of a global network by establishing local overseas subsidiaries and offices
- Established Fuji Xerox Co., Ltd., as a joint venture with Rank Xerox Ltd. in the United Kingdom
- Pioneered successful research, development, and commercialization of color negative films

### 1980~1990s

**Progress of Digitization / Acceleration of Globalization**

- Accelerated globalization by organizing overseas production bases and promoting overseas sales
- Pioneered efforts to digitize the photography, medical, and graphic systems fields
- Introduced a host of innovative products, including the FCR and digital still cameras

#### 1958

**Launched general-use color negative film and color paper**

Launched general-use color negative film and color paper in response to growing demand of printing color photo more easily. The technologies honed through research, development, and production of photographic film now underpin our business operations.

#### 1958

**Launched FUJITAC**

Incombustible TAC film developed as a base for photographic film went on sale as FUJITAC. We then leveraged our proprietary technology to make numerous improvements before launching FUJITAC as a protective film for polarizers for LCD panels in the 1970s. We are currently expanding business domains by developing applications of this technology to materials for touch panels and OLED displays.

#### 1962

**Launched Japan’s first plain-paper copy machines**

We established Fuji Xerox Co., Ltd., as a joint venture with Rank Xerox Ltd. in the United Kingdom, and started selling Japan’s first plain copy machine. With ground-breaking xerography technology, we revolutionized Japan’s office environment. Ever since, we have been contributing to productivity gains at offices and other workplaces as well as labor saving and capacity bolstering measures for customers through development and sales of digital color multifunction devices and solutions.

#### 1966

**Developed Fujicolor F-II 400, world’s first high-speed color negative film**

Fujifilm was the first in the world to successfully develop a film with a sensitivity of ASA 400. The product sent shockwaves around the world and made people take notice of Fujifilm’s technological capabilities. It allowed anyone to take beautiful photos without fear of failure or the need for a flash either indoors or outdoors.

#### 1983

**Launched FCR, world’s first digital x-ray diagnostic imaging system**

Our Fuji Computed Radiography (FCR) system was the first in the world to digitalize x-ray imaging and for more than 30 years has held the top market share. Currently, we are providing more compact systems characterized by low-dose radiation and high-quality images.

#### 1986

**Launched QuickSnap, world’s first one-time-use recyclable camera**

The introduction of the QuickSnap made it easy for anyone to take beautiful photos and contributed to growth in photo demand.

#### 1988

**Developed world’s first fully digital still camera**

We developed the FUJIX DS-1P, the world’s first fully digital still camera. As a manufacturer of photographic film, Fujifilm anticipated the rise of a future digital era and moved quickly to engage in R&D.
Launched SonoSite iViz, tablet-based ultrasound image diagnostic device

We launched the tablet-based ultrasound image diagnostic device that has outstanding portability with its compact and lightweight body, and high-resolution image quality. We continue to accurately ascertain the needs of the POC* market and provide support to medical sites.

*Point-of-care. Entails physicians conducting examinations on site, such as in emergency rooms, operating rooms or at home, and deciding on and carrying out a course of medical treatment.
Sources of Corporate Value

The sources of corporate value for the Fujifilm Group are our technological capabilities, corporate culture, human resources, brand strength, and global network. These factors are indispensable if we are to meet the expectations and needs of our stakeholders and earn their trust.

Our technological capabilities underpin the broad range of businesses in the Fujifilm Group. The products related to silver halide photography—a long-established business of the Group—comprise various technologies we have cultivated over the journey. Photographic film currently only accounts for less than 1% of Group-wide sales, but by combining the base technologies the Fujifilm Group have honed in the field of halide photography, which underpin our operations, with the core technologies that drive our sustained competitive advantage, we continue to bring various products and services to market. Please see on pages 5–7 for more information.

The Fujifilm Group listens to and openly exchanges opinions with all its stakeholders, complies with rules in a fair manner, takes responsibility for its decisions and actions, and ensures transparency in all sincerity. Based on this open, fair, and transparent corporate culture, we boldly embrace challenges in the course of our business activities. Backed by this corporate culture, we will further hone our leading-edge, proprietary technologies to remain a dynamic corporation always ahead of the pack as a pioneer constantly generating new value.

Skilled human resources are essential if we are to generate and develop growth businesses and accelerate our global expansion. From a long-term perspective, the Fujifilm Group focuses on nurturing global and managerial human resources capable of sparking innovation on their own accord in response to changes in society and we are working to create an environment in which our diverse workforce can fully maximize the abilities.

We have hitherto enhanced the value of the FUJIFILM brand by constantly creating revolutionary products and services through innovation based on the advanced proprietary technologies we have cultivated in photography. We are running a global branding campaign in multiple countries featuring the key message of "NEVER STOP.” We are determined to further enhance the brand power of FUJIFILM in order to deliver fresh value with our own cutting-edge technology and contribute to solving the various issues of society, as well as accurately communicate our stance on ceaselessly making improvements and progress so that we always remain a growth company.

Shortly after its founding, Fujifilm took proactive steps to expand overseas, setting up its first overseas base in 1937. We have grown to become a global corporation with 279 consolidated subsidiaries and an overseas consolidated sales weighting of about 59% (overseas sales of JPY 1,425.0 billion) in fiscal 2018. In recent years we have identified the BRICs and the emerging markets of mainly Turkey, the Middle East, and Southeast Asia as key regions in which we are aggressively establishing local subsidiaries and strengthening our sales structures.
Technological Capabilities

The Fujifilm Group’s technological capabilities are one source of corporate value. Here we discuss the Group’s approach and initiatives for improving our know-how—so that we can constantly leverage our cutting-edge, proprietary technology to create innovative products and services and deliver value to society—and efforts with regard to open innovation, which is a cross between in-house and external technologies.

R&D policy

Under five research policies, we aim to develop bold new businesses that can contribute to improving quality of life and sustain growth in existing business fields with innovative new products by fusing together our business strategies and R&D strategies.

Research policies

1. Deepening and broadening Fujifilm Group’s fundamental technologies
2. Creating new value by integrating multiple technologies in various fields
3. Enhancing group synergies
4. Accelerating developments
5. Improving the fundamental R&D capability of each researcher and organization

R&D structure

At Fujifilm, we have set up so-called Divisional Laboratories engage in R&D directly linked to each business and Corporate Laboratories conduct research into the base technologies we have thus far honed in the photographic business, such as advanced material chemistry, imaging, analysis, and production systems. The R&D Management Headquarters centrally manages these laboratories, which in turn promotes the speedy development of new products and creates new businesses to drive growth. Meanwhile, Fuji Xerox collaborates with universities, research institutes, corporations, and other partners in aiming to realize synergies with the goal of solving not only its own problems, but those of regional communities. And through collaboration of R&D centers in Japan and overseas, we have established structure to respond to global market demand quickly.

Approach to intellectual property

The Fujifilm Group engages in intellectual property activities to ensure that the value of our business undertakings created in various settings always gives us a competitive edge. The extent of our activities is quite broad ranging; for example, in addition to hitherto typical activities like assisting the creation of inventions, submitting patent applications, and acquiring right, we conduct strategic analyses of competitors and address industry standards for the purpose of achieving business superiority. By collaborating with business departments and R&D departments to create and harness strong intellectual property, we can contribute to business growth, mitigate business risks, and seek to enhance corporate value.

Open innovation initiatives to create new value through “co-creation”

We have established three Open Innovation Hubs in Japan, the US, and Europe as places to facilitate the co-creation of new value and where we can demonstrate to external business partners our base/core technologies—the source of the Fujifilm Group’s competitiveness—along with the materials, products, and services that incorporate them. Since they were opened, a total of about 15,000 people from 3,000 companies (as of end-Aug. 2019) have visited and collaboration is proceeding in a number of ways. Furthermore, Fuji Xerox established “Smart Work Innovation Laboratory”—where visitors can experience for themselves products and services related to “Smart Work Innovation” and technologies undergoing demonstration—and opened its “Future Edge” hub that specializes in the production field and can be utilized for tasks ranging from searching for issues to conducting verification activities. Incorporating the latest AI and IoT technologies, we will propose solutions that respond to the diversifying issues in the rapidly changing business environment and resolve our customers’ business challenges together with them.

AI/ICT initiatives

In the fields of diagnostic imaging and general photography, Fujifilm has thus far developed technologies capable of reading information from images. Based on this knowledge, we intend to accelerate the development of AI-based technology capable of supporting those in the healthcare industry through comprehensive analysis and decision-making by using the various data collected from our business activities, for example, by combining biological information from medical testing with diagnostic imaging data. In addition, Fujifilm will also work together with academic institutions to develop next-generation AI technology capable of resolving various issues facing society by linking its proprietary technology with documented knowledge such as diagnostic reports, medical literature, and human knowledge from experience.

(→ Please see “Feature 1: A future Enabled by Next Generation AI Technology” on page 28 for more information.)
Sources of Corporate Value—Technological Capabilities

Proprietary technologies underpinning growth and expansion into various fields

Since its founding, the Fujifilm Group has been accumulating the base technologies that have supported the Company’s business, including organic and inorganic materials chemistry, optical technologies, and analytical technologies. Based on these technologies, we have honed our proprietary core technologies, which are central to continuously building up our competitive advantage. By combining these technologies, we have provided a wide range of products and services to create new value that will open the way to the future. Going forward, we will make continuous efforts to create new value by applying these technologies in a wide range of industries.
INTEGRATED REPORT 2019

Highlights of our initiatives

Living

We develop highly functional films essential for the manufacturing of LCDs used in devices such as televisions, computer monitors and smartphones. Going forward, we intend to develop and offer a broad-range of high value-added materials utilizing our know-how for film-formation to meet the demands of technology that is constantly evolving.

Offices

In addition to providing office equipment, we build communication environments best suited to our customers by turning multi-function devices into portals and connecting them to their own, or other companies’, cloud services. By improving office productivity and streamlining operations, we aim to support initiatives for work-style reforms at companies.

Hospitals

We offer a broad range of diagnostic equipment built on our proprietary technologies, including X-ray diagnostic equipment, endoscopes, ultrasound equipment, and in-vitro diagnostic (IVD) systems. We will also provide diagnostic support to physicians by, for example, providing medical-use picture archiving and communications systems (PACS) and a platform comprising our image processing technology combined with AI technology.

Society

We have the optical technology to manufacture lenses with nano-level precision. In addition to 8K broadcasting lenses that are useful at filming locations, we aim to provide high value-added lenses to meet varied needs, such as lenses for high-performance surveillance cameras amid the growing awareness about security issues, and high-resolution performance machine vision lenses.

- Optical film for displays
- Sensor film for touch panels
- Gas separation membranes
- CTP (Computer-to-Plate)
- Ink for inkjet printers
- Wide-format UV inkjet systems
- Inkjet digital press
- Optical lenses
- Digital cameras
- Multifunction devices/Printers
- Drug delivery systems
- Functional cosmetics
- Supplements
- Endoscope systems
- Digital X-ray imaging diagnostic system
- Ultrasound diagnostic equipment
- 3D medical-use picture archiving and communications systems
About the Fujifilm Group

Towards being an ever-evolving corporation that creates changes

The Fujifilm Group has faced many difficulties over the years, including the development of the technology to manufacture film in Japan, being sued by Eastman Kodak under Section 301 of the U.S. Trade Law, and skyrocketing raw material prices at the time of the oil crises and Silver Thursday. Nevertheless, we have achieved considerable growth as a corporation by constantly honing our unique technological capabilities, overcoming difficulties, and providing society with high-quality products and services. After the year 2000 in particular, the Fujifilm Group experienced the crisis of losing its core business when the photography market, which had been its main business, drastically decreased due to the surge of digitalization, but we still managed to significantly transform our business structure and expand our business domain by further developing the technologies we had cultivated thereto. Below we explain the process of constructing our robust business platform and initiatives to deliver new growth up ahead, dividing the process of corporate evolution into three steps.

STEP 1 Swiftly and appropriately respond to changes in the business environment

Crisis at hand—losing core business

In the year 2000, at the peak of global demand for photographic film, the photography business, which manufactured photographic film and photographic printing paper and other related products, accounted for roughly 60% of Fujifilm’s sales and generated around two-thirds of operating income. However, digitalization progressed at an astonishing pace. Due to the rise of digital cameras and smartphones, the decline of the photographic film market far exceeded our expectations, shrinking at an annual rate of 20%–30%, and by 2010 it had dropped to less than one-tenth of its historical peak. Fujifilm stood face-to-face with its biggest crisis ever—losing of its core business.

Pulling Group-wide resources together to overcome the crisis

To overcome this harsh business environment and thrive through the 21st century as a leading company, we implemented bold reforms based on three basic policies. Furthermore, while our competitors were announcing their withdrawal from the camera and film business, we continued business and made a declaration to preserve the culture of photography. Responding flexibly to a dramatically changing market, we transformed our business structure.

Three basic policies

1. Drastic structural reforms to overall business

We focused mainly on photography-related business and reorganized production facilities, R&D units, sales structures, and photo-developing stations. By building a system more appropriate for the business scale, we established a system that can stably maintain photography-related business.

2. Formulating a new growth strategy

To diversify our businesses, we took stock of the technologies we had cultivated in the development and production of photographic film, examined the fields in which these technologies could be applied, concentrated capital investments and R&D on growth areas, and promoted growth strategies. Despite the tough business conditions, we continued to invest around JPY 200 billion annually in R&D necessary for the future. In 2006, we established the FUJIFILM Advanced Research Laboratories to develop the underlying technologies for new businesses and new product development.

3. Strengthening consolidated management

To fully maximize synergy effects between Fujifilm and Fuji Xerox, we established a holding company to take control of both companies in 2006. We changed the name of Fuji Photo Film Co., Ltd. to FUJIFILM Corporation when the holding company structure was adopted, the name change symbolizing our determination to broadly expand our operations beyond the photography business.

Fujifilm developed the world’s first fully digital camera

We unveiled the world’s first fully digital camera in 1988 and then in 1989 we for the first time mass produced and launched sales of the FUJIX DS-X fully digital camera. Why did Fujifilm develop a camera that did not need photographic film ahead of its rivals? The main reason was because we foresaw digitalization at any early stage and took steps from the 1970s to advance the research and development of digital technology. This also owed itself to our corporate culture of constantly creating new value, rather than being fixated on existing products.
Establishment of our unique position in the digital camera market
Since the arrival of digital cameras, market growth had been driven by compact digital cameras. Global demand peaked in 2011 and turned to decline due to intensifying price competition and the impact of the spread of smartphones and their ever-improving camera functions. Anticipating that change, in 2011 the Company released the FUJIFILM X100, a premium compact digital camera equipped with an optical/electronic viewfinder which showed our commitment to image quality and design. In addition to being very well received by the market, this model marked a change of course to the high-end route. Currently, in addition to the X series, the GFX series and a wide lineup of their interchangeable lenses are available. In the years to come, we will continue to accelerate business growth.

Early entry into the expanding bio CDMO market
The contract development and manufacturing organization (CDMO) market for biopharmaceuticals, which have few side effects and are expected to be highly effective, is growing at an annual rate of more than 8%. In anticipation of growth in this market, we acquired two bio CDMOs in 2011 to make a full-fledged entry into the bio CDMO market. As the manufacturing of biopharmaceuticals involves the handling of microbial and mammalian cells, the maintaining of manufacturing conditions such as temperature at constant levels and a high level of quality control are required. This is where we apply our advanced production technology cultivated in the manufacturing of photographic film. Conducting active capital investment, in 2019 we acquired the manufacturing subsidiary of U.S.-based biopharmaceutical giant Biogen. We aim to contribute to profit stably and achieve sales of JPY 100 billion in the fiscal year ending March 2022.

Initiatives in regenerative medicine field
Regenerative medicine has the potential to be an effective method for treating as-yet incurable diseases in the oncology and age-related macular degeneration fields, where unmet medical needs still exist. In working towards the establishment of new treatment methods, many companies, not just academic institutions, are engaged in research and development on a daily basis.

In 2014, we acquired Japan Tissue Engineering, the first company in Japan to acquire marketing approval for regenerative medicine products. We then made our full-fledged entry into the regenerative medicine field by acquiring the U.S.-based Cellular Dynamics International (now FUJIFILM Cellular Dynamics), a leading global company in the development and production of IPS cells. At the present time, the Fujifilm Group now holds all three of the components—the cells, cell culture media and scaffolding materials—necessary for the regenerative medicine business, thereby strengthening its structure for seamless development. With the aim of reaching commercial viability for a cell therapy pipeline at the earliest possible time, we are leveraging the Group’s technologies and resources, and accelerating the pace of development by teaming up with expert partners. Harnessing Fujifilm engineering technologies and technology for developing cell culture media suitable for different cell types, we are making progress on the development of technology for the uniform and reasonably cheap volume production of IPS and other cells. As a leading company in the still developing regenerative medicine market, we intend to fully maximize group synergies toward the goal of the commercialization and industrialization of regenerative medicine while expanding our business operations.
Goals in sustainable development adopted by the United Nations General Assembly in September 2015 to be addressed as social issues by the international community by 2030. There are 17 goals and 169 targets under the slogan “Leave no one behind.”

By creating value through innovation, the Fujifilm Group aims to solve the challenges faced by society through its business activities (gain opportunities) and take the environment and society into consideration in all its business processes (mitigate risks) so as to contribute to the realization of a sustainable society.

**Value Creation Process**

A plan that demonstrates the Company’s strong will to contribute to the resolution of social issues on a global scale through its business. The entire Company is working together on initiatives aiming to contribute to SDGs* and targets.

**Medium-term management plan: “VISION2019”**

A specific action plan for the three-year medium-term management plan to realize “Sustainable Value Plan 2030”.

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*Goals in sustainable development adopted by the United Nations General Assembly in September 2015 to be addressed as social issues by the international community by 2030. There are 17 goals and 169 targets under the slogan “Leave no one behind.”*
The Fujifilm Group will make contributions in the following areas by implementing Groupwide initiatives on lifecycle of our products and providing customers with products and services that save energy and resources.

- Contribute to reduce CO2 emissions in society and mitigate climate changes
- Mitigate water risks by reducing water input and using water resources more efficiently
- Use resources effectively and reduce waste volume
- Create and spread the use of renewable energies by providing highly functional materials
- Minimize adverse effect on the environment and people's health in the production and use of chemical substances
- Provide healthcare to fulfill unmet medical needs through R&D in pharmaceuticals and regenerative medicine
- Improve accessibilities to medical services with the use of medical IT
- Reduce burdens on doctors and medical staff by providing products and services that harness AI or IoT
- Contribute to early disease detection and help lower medical costs by promoting easy-to-use health checkup services
- Prolong healthy lives by providing supplements
- Contribute to the development of an ICT society by providing large-capacity magnetic tapes
- Enhance the safety of social infrastructure by providing non-destructive inspection systems
- Contribute to the enrichment of people's lives by furthering the development of photographic culture and providing opportunities for people to enjoy photos
- Build office environments that encourage creativity by providing products and services that boost business productivity and contribute to greater business efficiency
- Support diverse working styles by providing satellite office services
Our current business portfolio was established after we survived the crisis of losing our core business to digitalization by leveraging our cutting-edge, proprietary, and advanced technologies honed in the photographic film business. Under VISION2019, our medium-term management plan, we are pushing ahead with growth strategies designed to further strengthen our portfolio, having positioned each business segment in the following three stages: (1) boosting profitability; (2) further accelerating growth; and (3) investing for the future.

**Healthcare & Material Solutions**

- **Photo Imaging**
  Photo-related products and services, ranging from photo-taking to printing

- **Optical Devices & Electronic Imaging**
  Digital cameras, interchangeable lenses, and TV lenses

- **Imaging Solutions**

- **Photo Imaging**
  Photo-related products and services, ranging from photo-taking to printing

- **Optical Devices & Electronic Imaging**
  Digital cameras, interchangeable lenses, and TV lenses

- **Office Products & Printers**
  Digital multifunction devices and printers for offices and consumables, as well as document solutions leveraging cloud and mobile technologies

- **Production Services**
  High-speed, high-quality digital printing systems and solution-oriented document services in the commercial printing field

- **Solutions & Services**
  Supporting the resolution of management issues through services that improve corporate document and operational processing

**Healthcare**

Businesses in medical systems, pharmaceuticals, bio CDMO, regenerative medicine, and life sciences

**Highly Functional Materials**

Businesses in display materials, industrial products, electronic materials, and fine chemicals

**Recording Media**

Mainly magnetic tapes for computers and data archive services

**Graphic Systems & Inkjets**

Mainly graphic arts film, CTP (computer-to-plate) plates, digital inkjet presses, and industrial inkjet printheads

**Document Solutions**

Engaging in document-related businesses including multifunction devices for offices and related services

**Office Products & Printers**

Digital multifunction devices and printers for offices and consumables, as well as document solutions leveraging cloud and mobile technologies

**Production Services**

High-speed, high-quality digital printing systems and solution-oriented document services in the commercial printing field

**Solutions & Services**

Supporting the resolution of management issues through services that improve corporate document and operational processing

**Imaging Solutions**

- **Photo Imaging**
  Photo-related products and services, ranging from photo-taking to printing

- **Optical Devices & Electronic Imaging**
  Digital cameras, interchangeable lenses, and TV lenses

- **Healthcare**
  Businesses in medical systems, pharmaceuticals, bio CDMO, regenerative medicine, and life sciences

- **Highly Functional Materials**
  Businesses in display materials, industrial products, electronic materials, and fine chemicals

- **Recording Media**
  Mainly magnetic tapes for computers and data archive services

- **Graphic Systems & Inkjets**
  Mainly graphic arts film, CTP (computer-to-plate) plates, digital inkjet presses, and industrial inkjet printheads

**Broadcast zoom lens compatible with 4K cameras**

*World’s first*

**Protective film for polarizers**

Global market share **No.1**

**Medical-use picture archiving and communications systems**

Domestic & global market share **No.1**

**Protective film for polarizers**

Global market share **No.1**

**Medical-use Picture Archiving and Communications Systems**

(PACS) SYNAPSE

**Multifunction devices**

Market share in sales volume in the Asia-Pacific region **No.1**

**Market share in MPS** sales in the Asia-Pacific region **No.1**

*1 According to a survey by Fujifilm
*2 According to a survey by Fujifilm
*3 According to a survey by Fuji Xerox
*4 Managed Print Services
About the Fujifilm Group

Financial Highlights

*Numerical data for FY2009/3 to FY2019/3 are posted on pages 62 and 63

In the fiscal year ended March 31, 2019, the Group recorded JPY 2,431.5 billion in consolidated revenue (down 0.1% from the previous fiscal year), reflecting such factors as a sales decrease in the document business, although sales increased in the medical systems business, bio CDMO business, regenerative medicine business and electronic materials business. Operating income was JPY 209.8 billion (up 70.1% from the previous fiscal year) due to improved profitability and positive impacts of structural reforms in the document business. The operating margin was 8.6%.

Net income attributable to FUJIFILM Holdings was JPY 138.1 billion (down 1.8% from the previous fiscal year). ROE was 6.7% (down 0.1 percentage points).

Total assets as of March 31, 2019 were JPY 3,414.7 billion (down 2.2% from the previous fiscal year-end). The shareholders’ equity ratio remained stable at 59.7% (up 0.2 percentage points).
R&D expenses were JPY 156.1 billion for the fiscal year ended March 31, 2019 (down 7.0% from the previous fiscal year), and the ratio of R&D expenses to revenue was 6.4% (down 0.5 percentage points).

Capital expenditures amounted to JPY 75.4 billion for the fiscal year ended March 31, 2019, mainly for the purpose of increasing production capacity of high-growth products, rationalizing and labor saving of production facilities, and environmental conservation. Depreciation (only property, plant, and equipment) was JPY 70.9 billion.

Net cash provided by operating activities totaled JPY 249.3 billion due to a decrease in accounts receivables and other factors. Net cash used in investing activities amounted to JPY 208.6 billion, mainly due to acquisition of businesses. Thus, free cash flows were JPY 40.7 billion.
**About the Fujifilm Group**

**Non-Financial Highlights**

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### Amount of CO₂ Emissions throughout Product Lifecycles

![Graph of CO₂ Emissions](image)

To realize the non-carbon society aimed for under the Paris Agreement, we set a CO₂ emissions reduction target with FY2031/3 as the goal. Against the goal of reducing CO₂ emissions by 30%* throughout product lifecycles—the procurement of raw materials, product manufacturing, transportation, use, and disposal—at the end of FY2019/3 CO₂ emissions had been reduced by 3.68 million t-CO₂, or 22%*. In addition to reducing CO₂ throughout product lifecycles, we are promoting contributions to reducing CO₂ in society through the provision of our products and services.  

*Vs. FY2014/3

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### Annual Changes in Energy Consumption*1

![Graph of Energy Consumption](image)

In April 2019, we joined RE100, an international initiative that aims for 100% of the electricity used by companies in their business activities to come entirely from renewable energy sources. By FY2051/3, all the electricity purchased will be converted power from renewable energy sources, as the Company aims for zero CO₂ emissions from its energy usage. By actively deploying measures within the Group, such as maximizing efficiency in energy use and pursuing CO₂ emissions reduction in energy procurement, in FY2019/3 energy consumption was reduced by 1.7%* to 22,796 TJ.  

*Year-on-year rate

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### Annual Trend in Water Usage and Discharge as Waste Water

![Graph of Water Usage and Discharge](image)

To secure clean water that is indispensable in the production of photographic film, we have been working on reducing water usage and using water recycling since our founding. Our goal is to reduce the Group’s water usage by 30%* by FY2031/3. As of the end of FY2019/3 usage had been reduced by 15%* to 42.8 million m³/year, and the amount discharged was 40.7 million m³/year.  

*Vs. FY2014/3

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*1 Per unit calorific value is based on the Energy Conservation Act.  
*2 FUJIFILM Manufacturing Europe B.V. (EF) classified its energy usage as renewable energy because the supply of wind-generated power has been 100% since FY2015.  
*3 Total of natural gas, liquefied natural gas (LNG), city gas, butane and liquefied petroleum gas (LPG)  
*4 Total of heavy oil A, heavy oil C, kerosene, light oil and gasoline  

* Includes water, rainwater, etc. used in the business activities
Recycled volume

Final waste disposal

Waste Generation*1, Recycling & Final Disposal*2

(thousand tons/year)

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*1 Processed by external service providers and simple incineration or landfill disposal on sites.

*2 Simple incineration or landfill disposal by external service providers or on sites.

Ratio of Women in Managerial Positions

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Fujifilm and 72.3% for Fuji Xerox. The paid leave utilization rate was 70.0% for Fujifilm and 72.3% for Fuji Xerox.

Utilization of Paid Leave

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Fujifilm and 72.3% for Fuji Xerox.

In addition to developing product designs that take recycling and resource conservation into consideration, we are promoting waste reduction activities at the manufacturing stage in light of the social conditions in each of four geographic regions: Japan, Europe, the United States, and China. The goal is to reduce the amount of waste generated by 30%* by FY2031/3, but in FY2019/3 the final disposal volume increased due to the expansion of new businesses and the difficulties involved in recycling plastics in Asia. As of the end of FY2019/3, the amount of waste generated increased by 5%* to 16,400 tons/year.

*2 Simple incineration or landfill disposal by external service providers or on sites.

Under the Sustainable Value Plan 2030, the creation of mechanisms and workplaces that enable diverse employees to play active roles is a priority issue in the field of "work-styles". One of these efforts involves increasing the ratio of women in executive and management positions. Fujifilm has set a target of 6% and Fuji Xerox 14% by the end of FY2021/3 and had attained 4.3% and 7.6%, respectively, as of the end of FY2019/3.