

Medium-Term Management Plan **VISION 2023**

April 15, 2021

FUJIFILM Holdings Corporation

Forward-looking statements, such as those relating to earnings forecasts and other projections contained in this material, are management's current assumptions and beliefs based on currently available information. Such forward-looking statements are subject to a number of risks, uncertainties, and other factors. Accordingly, actual results may differ materially from those projected due to various factors.

Using leading-edge, proprietary technologies to provide top-quality products and services, we will strive to “resolve social issues through our business activities” and contribute to the realization of a sustainable society.



Sustainable Value Plan 2030 (SVP2030)



VISION 2023

Sales: over ¥3.5 trillion
Cut CO₂ emissions: 45%
(v. FY2013 levels)



VISION 2019

Sales: ¥2.3151 trillion
OP: ¥186.6 billion
Cut CO₂ emissions: 30%
(v. FY2013 levels)

Sales: ¥2.7 trillion
OP: ¥260.0 billion
Cut CO₂ emissions: 38%
(v. FY2013 levels)

Medium-Term Management Plan that sets concrete action plans for realizing SVP 2030 targets

SVP 2030 are long-term targets with goals set for FY2030

From the perspectives of solving social issues through our business activities and considering society and the environmental in all our business processes, identify issues and set targets for the four priority areas of Environment, Health, Daily Life, and Work Style and for our supply chain and governance processes, which underpin our business activities.

I will begin by discussing “Our Ideal Fujifilm Vision.”

“Using leading-edge, proprietary technologies to provide top-quality products and services, we will strive to ‘resolve social issues through our business activities’ and contribute to the realization of a sustainable society.” This is the Ideal Fujifilm Vision. The Sustainable Value Plan 2030, or SVP 2030, has goals set for fiscal 2030; it is our long-term plan for concretely realizing this vision.

Under SVP 2030, we identify issues and set targets for the four priority areas of Environment, Health, Daily Life, and Work Style, as well as for our supply chain and governance processes, which underpin our business activities. This is done from two basic perspectives: solving social issues through our business activities, and considering society and the environmental in all our business processes.

Along with the targets set under SVP 2030, we have set a performance target for fiscal 2030 of sales of over ¥3.5 trillion.

We also established the medium-term management plan VISION 2023, a set of concrete action plans for realizing the SVP 2030 targets.

VISION 2019 Management Policy

Positioning each business into one of three stages: improve profitability, accelerate further growth, and invest to create a new future. Strengthen our business portfolio and inspire further leaps forward by developing measures to suit that growth process.

(Billions of Yen)

	FY2019			FY2020
	MTP (VISION2019)	Actual Results	Change	Forecast
Revenue	2,600.0 100.0%	2,315.1 100.0%	(284.9) -11.0%	2,180.0 100.0%
Operating income	230.0 8.8%	186.6 8.1%	(43.4) -18.9%	160.0 7.3%
Net income attributable to	150.0 5.8%	125.0 5.4%	(25.0) -16.7%	Record High 160.0 7.3%
ROE	7.3%	6.3%	-1.0%	7.8%

	FY2017-FY2019	
	MTP (VISION2019)	Actual Results
Shareholder returns	300.0	300.0+
M&A investment	500.0	about 700.0

- ✓ Develop appropriate measures for the growth stage of each business, such as aggressive investment in the bio CDMO business, structural reform of Fuji Xerox, and making it a 100% subsidiary, and then build a structure that reliably generates profits even during COVID-19.
- ✓ Could have accomplished medium-term plan in FY2019 without COVID-19 and exchange rates fluctuations. Expect to achieve record net income attributable to shareholders of 160 billion yen in FY2020 due to such factor as making Fuji Xerox our wholly owned subsidiary.

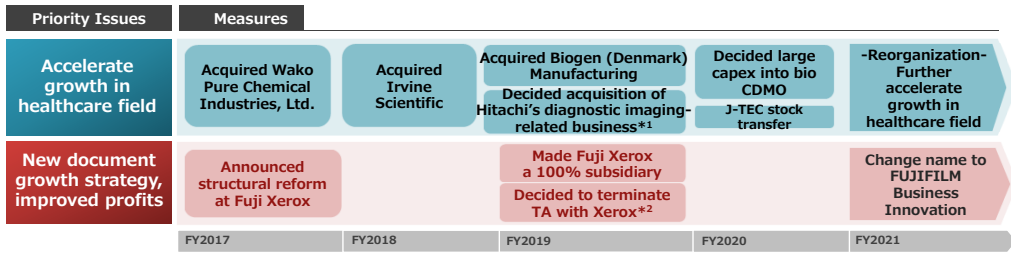
Before discussing VISION 2023, I want to first look back at the medium-term management plan VISION 2019, which ended in March 2020.

VISION 2019 positioned each of our businesses in one of three stages: improve profitability, accelerate further growth, and invest to create a new future, and, on this basis, we worked to strengthen our business portfolio.

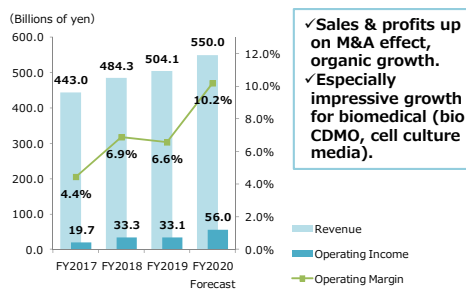
Even though fiscal 2019, the final year of VISION 2019, was impacted by the spread of the coronavirus in the fourth quarter and the depreciation of Asian currencies, discounting these factors, we were able to achieve plan's initial performance targets.

We are building an operating structure capable of securely generating profit even during the corona crisis, through policies for each of the stages, including active investment in the Bio CDMO business, and making Fuji Xerox a wholly owned subsidiary and reforming its business processes. As a result, we expect to achieve net income attributable to shareholders of 160 billion yen in fiscal 2020, which would be a new record high.

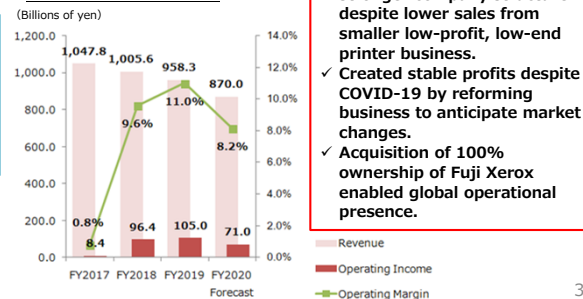
VISION 2019 Priority Issues



Healthcare Performance



Document Performance



✓ Sales & profits up on M&A effect, organic growth.
✓ Especially impressive growth for biomedical (bio CDMO, cell culture media).

✓ Profits up sharply on stronger company structure despite lower sales from smaller low-profit, low-end printer business.
✓ Created stable profits despite COVID-19 by reforming business to anticipate market changes.
✓ Acquisition of 100% ownership of Fuji Xerox enabled global operational presence.

VISION 2019 defined two priority issues: “Accelerate growth in the healthcare field,” and “New document growth strategy, improved profits,” and in these areas, we produced significant results.

In healthcare, we identified the Medical Systems and Bio CDMO businesses as growth drivers and have proactively invested in their growth. For Medical Systems, we acquired the diagnostic imaging-related business of Hitachi, and starting this fiscal year, we will provide total solutions to customers globally with a broad lineup of products. In the Bio CDMO business, we firmed up growth by acquiring a manufacturing subsidiary of Biogen and committed to making major capital investments in Europe and North America. Moving forward, we intend to continue achieving growth that far exceeds the market’s growth.

Turning to the document field, we robustly promoted process reforms to raise profitability, and as a result achieved an operating margin of over 10% a year ahead of schedule compared to initial plans. We also made Fuji Xerox a wholly owned subsidiary to increase net income and improve cash generating ability. Starting this fiscal year, we are changing the company’s name to FUJIFILM Business Innovation and will develop business worldwide under the Fujifilm brand.

This concludes my review of VISION 2019.

(Billions of yen)

	FY2020 forecast	FY2021 VISION2023	FY2023 VISION2023	Change from FY2020
Revenue	2,180.0 100%	2,440.0 100%	2,700.0 100%	520.0 +23.9%
Operating Income before One-time Costs	185.0 8.5%	215.0 8.8%	270.0 10.0%	85.0 +45.9%
One-time Costs	25.0	35.0	10.0	(15.0)
Operating Income	160.0 7.3%	180.0 7.4%	Record High 260.0 9.6%	100.0 +62.5%
Income before Income Taxes	210.0 9.6%	185.0 7.6%	Record High 265.0 9.8%	55.0 +26.2%
Net Income Attributable to FUJIFILM Holdings	160.0 7.3%	130.0 5.3%	Record High 200.0 7.4%	40.0 +25.0%
Net Income Attributable to FUJIFILM Holdings per Share	¥400.22	¥325.18	¥500.27	¥100.05
ROE	7.8%	6.2%	8.4%	0.6%
ROIC	4.2%	4.6%	6.1%	1.9%
CCC	125days	124days	103days	(22)days

* Exchange rates US\$/¥:¥104, €/¥:¥124 Silver price (/Kg):¥84,000

* Exchange rate sensitivity for Operating Income US\$/¥:¥0.3 billion, €/¥:¥0.8 billion

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Turning now to VISION 2023, we'll begin by looking at financial targets.

For fiscal 2023, the plan's final year, we are targeting revenue of ¥2.7 trillion. For operating income, in fiscal 2022, we are projecting a new record high, and in 2023, we are targeting ¥260.0 billion, another record high.

Net income attributable to FUJIFILM Holdings will decrease temporarily in fiscal 2021 due to one-time gains in fiscal 2020 that included gains on equity securities, but we are targeting a new record high in fiscal 2023 of ¥200.0 billion and will raise ROE to 8.4%.

Starting with the new medium-term management plan, we will be disclosing not only increases in revenue and operating income but also, along with ROE, return on invested capital (ROIC) and cash conversion cycle (CCC) as indicators of cash generating ability.

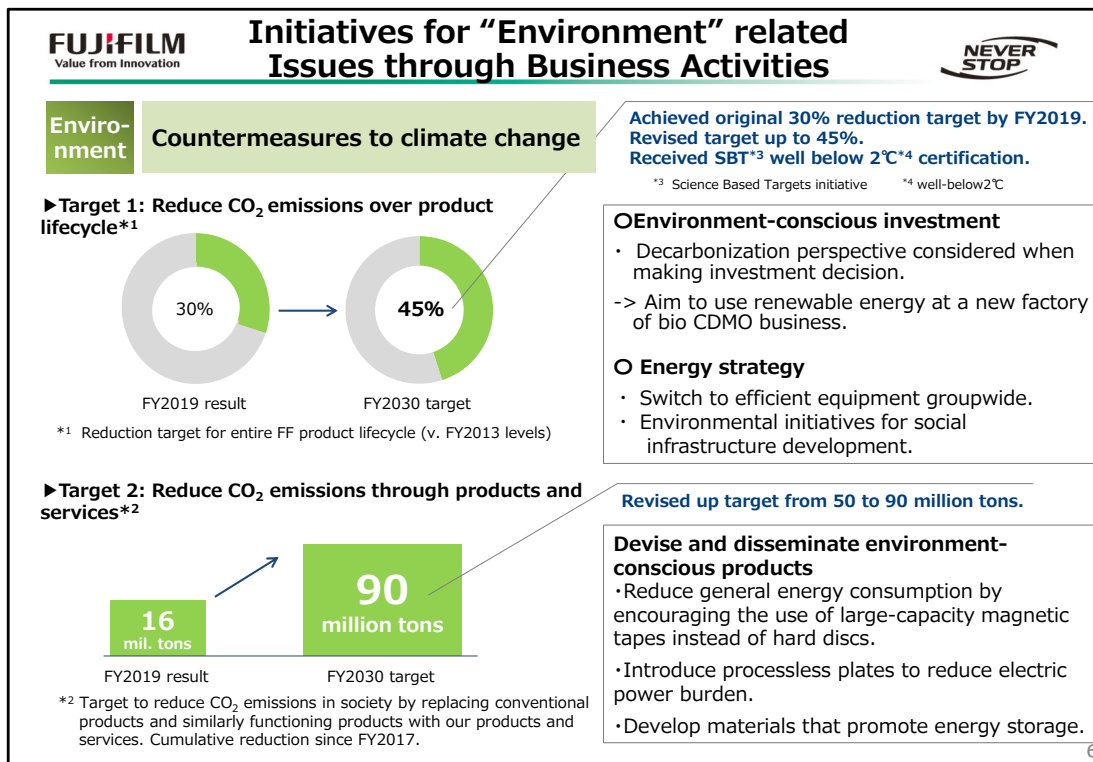
Resolution of Social Issues through Business Activities

Priority Areas	Segments	SDGs Goals
<p>Environment</p> <ul style="list-style-type: none"> •Countermeasures to climate change. •Promote recycling of resources. •Address energy issues. •Ensure product and chemical safety. 	<p>Healthcare Materials Business Innovation Imaging</p>	
<p>Health</p> <ul style="list-style-type: none"> •Create a healthy society through providing advanced products and services globally in all areas of prevention, diagnosis, and treatment to reduce health disparities. 	<p>Healthcare</p>	
<p>Daily Life</p> <ul style="list-style-type: none"> •Contribute to creating a safe and secure society by developing and providing advanced functional materials in the era of promoting DX. •Contribute to enriching humanity and peaceful life by developing and providing high-quality and high-performance products and services in picture and imaging field. 	<p>Materials Imaging</p>	
<p>Work Style</p> <ul style="list-style-type: none"> •Contribute to a social change where people feel motivated to work through providing products and solution services worldwide that increase productivity and inspire creativity. 	<p>Business Innovation</p>	

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SVP 2030 defines four priority areas for our activities, Environment, Health, Daily Life, and Work Style, from the two perspectives of resolving social issues through business activities, and consideration towards society and the environment in all business processes. We are now engaged in initiatives to achieve targets set in each of these areas. Ultimately, our goals are to achieve growth for the Group and solve social issues.

I will now discuss our initiatives to resolve social issues through business activities in the areas of Environment, Health, and Work Style.



Environmental issues are being addressed in all businesses throughout the Group.

To more actively work to combat climate change, we revised our target for reducing CO₂ emissions over the product lifecycle. It was originally set at a 30% reduction compared to fiscal 2013 levels, but we have raised this to 45%.

In order to achieve this target, renewable energy use will be considered in the decision-making process for investment. For example, in the Bio CDMO business, we announced the establishment of a large new factory in North Carolina. One of the reasons for selecting North Carolina was its use of renewable energy and active promotion of environmental programs.

To help reduce CO₂ emissions in the broader society, we set a target for CO₂ emissions reductions from replacing conventional products and functions with new Fujifilm products and services. The target was initially set at 50 million tons cumulative by fiscal 2030, but we have upwardly revised this to 90 million tons.

In promoting this initiative, we are utilizing the Fujifilm Group's "Green Value Products" certification program for environmentally conscious products. Large-capacity magnetic tape with low power consumption has already been certified under the program as an alternative to hard disks.

We will continue to increase our contribution by developing new technologies going forward.

FUJIFILM Value from Innovation **Initiatives for “Health” and “Work Style” related Issues through Business Activities** **NEVER STOP**

Setting new KPIs in the areas of “Health” and “Work Style”.

Health Improve medical accessibility by introducing our AI-driven medical products and services to all countries and regions by FY2030.

Year	Number of Countries
FY2019 result	57
FY2023 target	100
FY2030 target	196

Work Style Offer 50 million people work styles that help workers improve productivity and demonstrate creativity by providing solution services that spur business innovation.

Next, we have set new KPIs for our contribution to society in the areas of Health and Work Style.

For Health, in the Medical Systems business, we will introduce AI-driven medical products and services in all 196 countries and regions of the world by fiscal 2030. We intend to contribute to society through improved medical accessibility by gathering together the technologies, products, and services possessed by the Medical Systems business and providing them throughout the world.

In the area of Work Style, we will provide solutions and services developed by FUJIFILM Business Innovation that spur business innovation in order to provide to 50 million people work styles that help workers raise productivity and demonstrate their creativity. Through business activities, we will help transform society into one where everyone feels motivated to work.

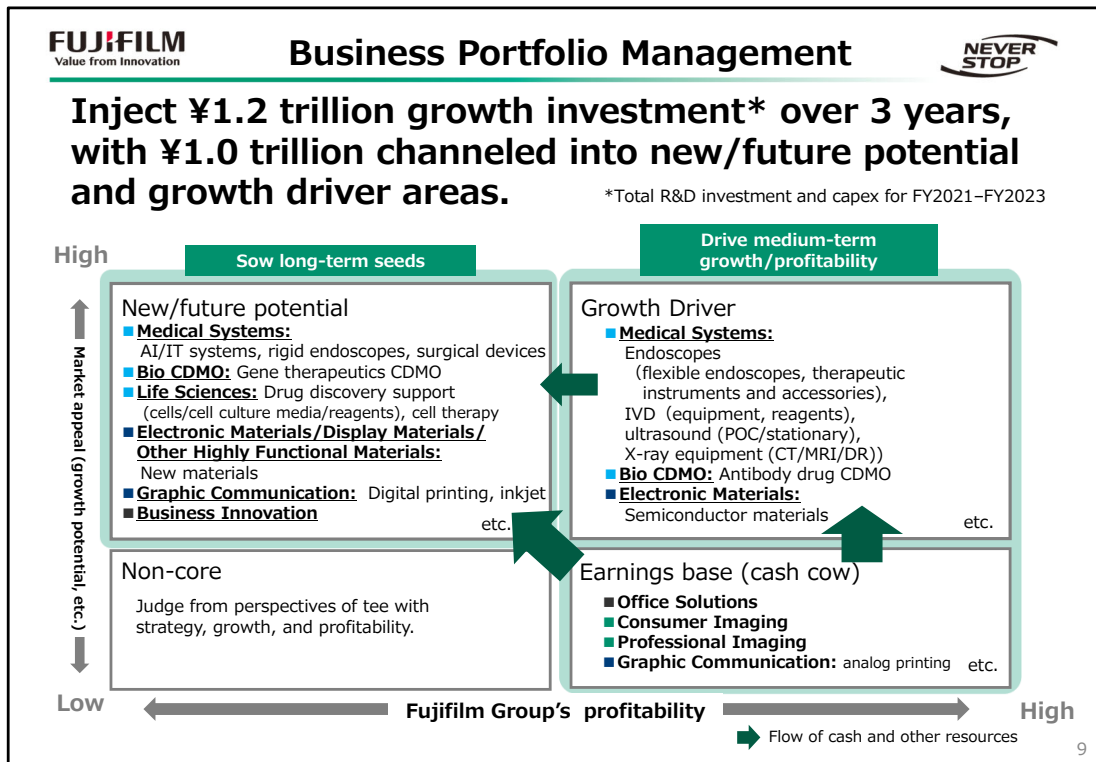


I will now give an overview of VISION 2023.

The main objectives of VISION 2023 are accelerating Healthcare & Materials growth and building a more resilient business platform to facilitate sustainable growth. We will promote four priority policies to achieve these objectives.

The first is strengthening business portfolio management. We will execute appropriate strategies suited to the business phase and optimally allocate the Group's resources. The second is strengthening cash flow management. We plan to thoroughly ensure business operations that are focused on capital efficiency and improve ROE, ROIC, and CCC. The third is entering new markets for further growth. We will invest in fields that demonstrate the strengths of our technologies and work to enter new markets. The fourth priority policy is creating stronger integrated business synergies through M&A. For this we plan to generate these synergies with the medical business of Hitachi, for example, which was recently acquired.

Through these four priority policies, we will continue actively investing in growth, concentrate resources in new/future potential areas and growth drivers, and strengthen and accelerate cash generation and the investment cycle in order to accelerate Healthcare & Materials growth and build a more resilient business platform to facilitate sustainable growth.



I will next explain our approach to the priority policy of strengthening the business portfolio management.

Over the course of the three years of VISION 2023, we will invest a total of over ¥1.2 trillion into R&D and capital investments. Of this, we plan to invest ¥1 trillion in new areas, areas with future potential, and growth drivers. In doing so we will promote our objectives of accelerating Healthcare & Materials growth and building a more resilient business platform to facilitate sustainable growth.

In new/future potential areas, which will sow long-term seeds, we will invest resources obtained through growth drivers and earnings base businesses. For growth drivers, we plan to concentrate management resources to grow sales and further increase profit margins. For the earnings base, we will emphasize profitability and efficiency to maximize cash generation.

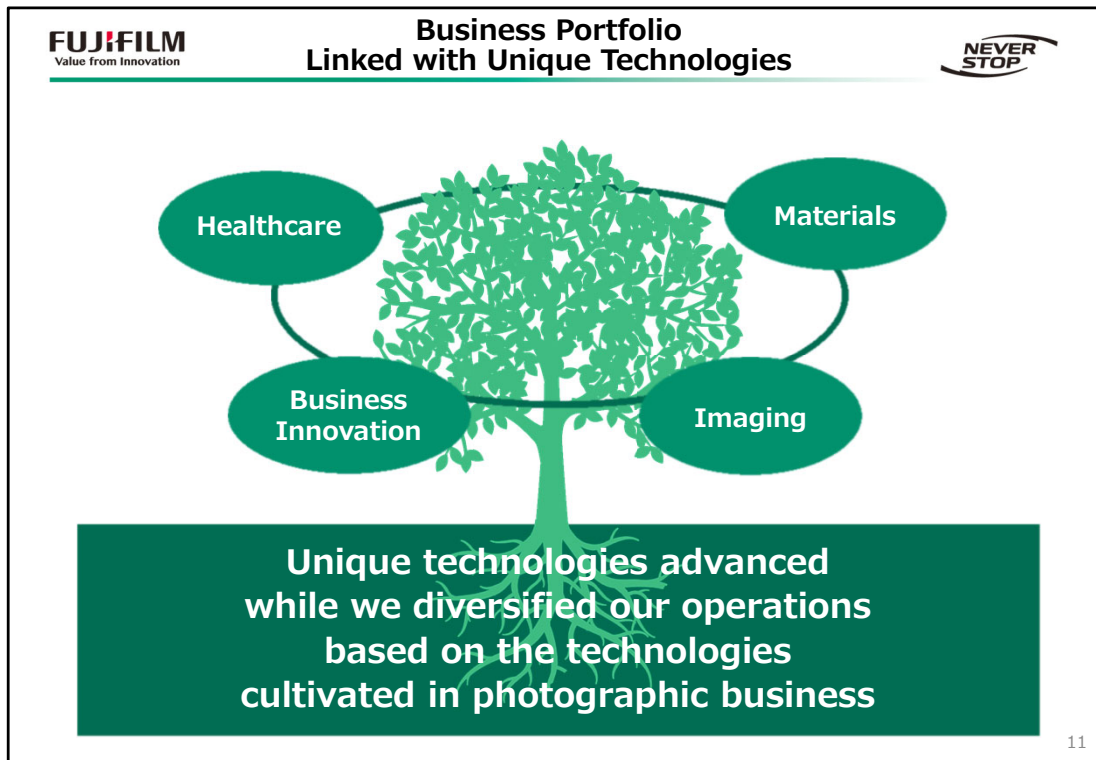
For areas that we determine to be “non-core” (based on the perspectives of growth, profitability, and compatibility with strategy), we will either work to improve and transform them into “earnings base” businesses or consider selling or withdrawing.

By carrying out these strategic policies based on the phase that each business is in, we will seek to maximize their overall growth potential and profitability.

**Reorganized into 4 business segments:
Healthcare, Materials, Business Innovation, Imaging**

Healthcare	<ul style="list-style-type: none"> ■ Medical Systems ■ Bio CDMO 	<ul style="list-style-type: none"> ■ Life Sciences <ul style="list-style-type: none"> • Life Sciences (drug discovery support : iPS cells, cell culture media, reagent) • Pharmaceutical • Consumer Healthcare (cosmetics, supplements)
Materials	<ul style="list-style-type: none"> ■ Electronic Materials ■ Display Materials <div style="border: 1px dashed #00AEEF; padding: 5px; margin: 5px auto; width: fit-content;"> <div style="background-color: #003366; color: white; text-align: center; padding: 2px;">Highly Functional Materials</div> </div>	<ul style="list-style-type: none"> ■ Other Highly Functional Materials <ul style="list-style-type: none"> • Industrial Materials • Fine Chemical • Recording Media ■ Graphic Communication <ul style="list-style-type: none"> • Graphic Communication • Inkjet
Business Innovation	<ul style="list-style-type: none"> ■ Office Solutions ■ Business Solutions 	<p>Plan to disclose business results* from FY2021 under 4 segments (Healthcare, Materials, Business Innovation, Imaging) and 11 subsegments (■ ■ ■ ■)</p> <p>*4 segments: disclose sales and operating profit 11 subsegments: disclose sales</p>
Imaging	<ul style="list-style-type: none"> ■ Consumer Imaging ■ Professional Imaging 	

VISION 2023 reorganized our businesses into four segments: Healthcare, Materials, Business Innovation, and Imaging. Healthcare is being made its own segment as of fiscal 2021 and we will disclose revenue, operating income and other financial data for it. Sales figures will also be disclosed for Medical Systems, Bio CDMO, Electronic Materials, and other growth drivers in order to appropriately communicate the progress we are making in growing these businesses.



We will next look at the structure of the Fujifilm Group's business portfolio.

Fujifilm Group is involved in a wide range of businesses in four segments, including Healthcare, but all of our businesses share unique technologies that evolved significantly as we diversified our business lineup based on technologies cultivated in the photographic business. These technologies supporting all of our businesses are connected together like a plant's roots; they are not singular. We plan to clearly allocate human resources, cash, and other management resources to each business and utilize these shared technologies to efficiently develop the businesses and build a portfolio that creates growth for the company overall.

Cash Flow Management

- Sales/OP growth, plus strengthen total cash output to improve ROIC & CCC*
ROIC FY2020(E) 4.2% → FY2023 target 6.1%
CCC FY2020(E) 125 days → FY2023 target 103 days

*Cash conversion cycle = Inventory turnover days + Operating receivables turnover days - Operating payables turnover days

- Generate one trillion yen cash flow from operating activities in total for FY2021-FY2023.
- Channel cash primarily into capital investment, etc. for growth areas. (750 billion yen in the three years)
- Focus on both growth and financial discipline. Prioritize investment for growth while ensuring financial soundness.

Shareholder Returns

- Focus on steady and continuous dividends.
- Conduct timely share buybacks while looking at cash balance.

I will next discuss cash flow management.

In order to strengthen cash generation ability, we have been adopting ROIC and CCC in business management, and we plan to place even more particular emphasis on ROIC, which is an indicator of management efficiency from the standpoint of its effective use of invested capital. Our fiscal 2023 target for ROIC is 6.1%.

Through business portfolio management and efficient asset use, we plan to generate operating cash flow of one trillion yen over the three years from fiscal 2021 to 2023. The cash that is generated will be allocated on a priority basis to growth investment.

For shareholder returns under VISION 2023, we will emphasize dividends and plan to increase the dividend in a steady, continuous manner. Share buybacks will be conducted flexibly while gauging the cash balance.

Launch new management structure upon approval by June General Shareholders' Meeting and Board of Directors.

	<u>New Position</u>	<u>Current Position</u>
Shigetaka Komori	Executive Advisor	Chairman and CEO, Representative Director
Kenji Sukeno	Chairman, Representative Director and Board Chairman	President and COO, Representative Director
Teiichi Goto	President and CEO, Representative Director	Director

- Incoming CEO Teiichi Goto replaces current CEO Shigetaka Komori in overseeing overall management and business execution. Incoming Chairman Kenji Sukeno supports the new CEO from a governance perspective as chairman of the Board of Directors.
- The new management structure clarifies the Board of Directors role in decision-making and supervision regarding business execution, and provides value to all stakeholders (shareholders, customers, employees, etc.) by appropriately balancing business execution and supervision.

To conclude my part of the presentation, I will explain the new management structure we announced on March 31.

The new management structure will go into effect upon approval by the General Shareholders' Meeting in June and by the Board of Directors at the following board meeting. Incoming CEO Teiichi Goto will replace current CEO Shigetaka Komori and will be responsible for overseeing overall management and business execution. I will provide support for the new CEO from a governance standpoint as chairman of the Board of Directors.

The new management structure will further clarify the decision-making and supervisory roles of the Board of Directors with respect to execution.

The board will discuss and confirm whether the direction of business execution accords with societal trends and the medium- to long-term values demanded by society, and whether or not this direction provides value to all stakeholders and contributes to sustainable growth.

With regard to executive remuneration, we will use indicators like ROIC and are exploring the possibility of introducing a new stock compensation plan linked to the degree of achievement of the targets in our medium-term management plan.

This concludes my portion of the presentation.

Medium-Term Management Plan **VISION 2023**

Business Strategies

The following will be an explanation of our strategies for each business.

Financial Targets by Segment

(Billions of yen)

Revenue ^{*1}	FY2020 forecast	FY2021 VISION2023	FY2023 VISION2023	Change from FY2020
Healthcare	550.0	750.0	860.0	310.0 (+56.4%)
Materials ^{*2}	570.0	600.0	720.0	150.0 (+26.3%)
Business Innovation ^{*2}	780.0	800.0	820.0	40.0 (+5.1%)
Imaging	280.0	290.0	300.0	20.0 (+7.1%)
Total	2,180.0	2,440.0	2,700.0	520.0 (+23.9%)

*1 After elimination of intersegment transactions

*2 FY2020 sales forecast reflects the production services sales estimate announced February 9 adjusted from Business Innovation (former Document) to Materials (reference value).

(Billions of yen)

Operating Income [Operating Margin]	FY2020 forecast	FY2021 VISION2023	FY2023 VISION2023	Change from FY2020
Healthcare	56.0 [10.2%]	70.0 [9.3%]	103.0 [12.0%]	47.0 (+83.9%)
Materials	52.0 [9.1%]	56.0 [9.3%]	95.0 [13.2%]	43.0 (+82.7%)
Business Innovation	71.0 [9.1%]	75.0 [9.4%]	82.0 [10.0%]	11.0 (+15.5%)
Imaging	11.0 [3.9%]	16.0 [5.5%]	25.0 [8.3%]	14.0 (+127.3%)
Corporate Expenses & Eliminations	(30.0)	(37.0)	(45.0)	(15.0)
Total	160.0 [7.3%]	180.0 [7.4%]	260.0 [9.6%]	100.0 (+62.5%)

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First off, here are our financial targets by segment for fiscal 2023.

For Healthcare, we are targeting revenue of ¥860.0 billion and operating income of ¥103.0 billion.

For Materials, the targets are revenue of ¥720.0 billion and operating income of ¥95.0 billion.

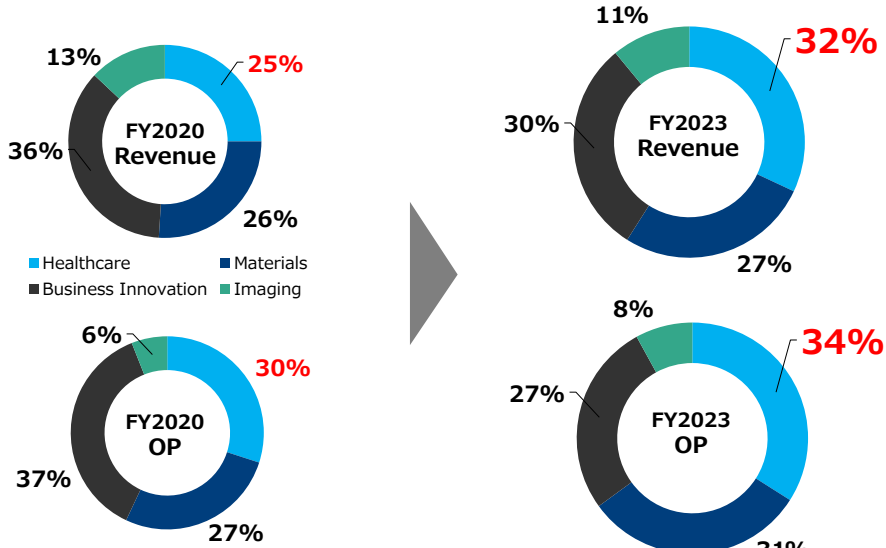
Business Innovation targets are revenue of ¥820.0 billion and operating income of ¥82.0 billion.

The Business Innovation segment's name has been changed from the Document segment, and the revenue and income of the production service business is being transferred to Materials.

In Imaging, we are targeting revenue of ¥300.0 billion and operating income of ¥25.0 billion.

The ROIC targets for each segment are provided in an appendix side.

Healthcare to be the largest segment both in revenue and operating profit*

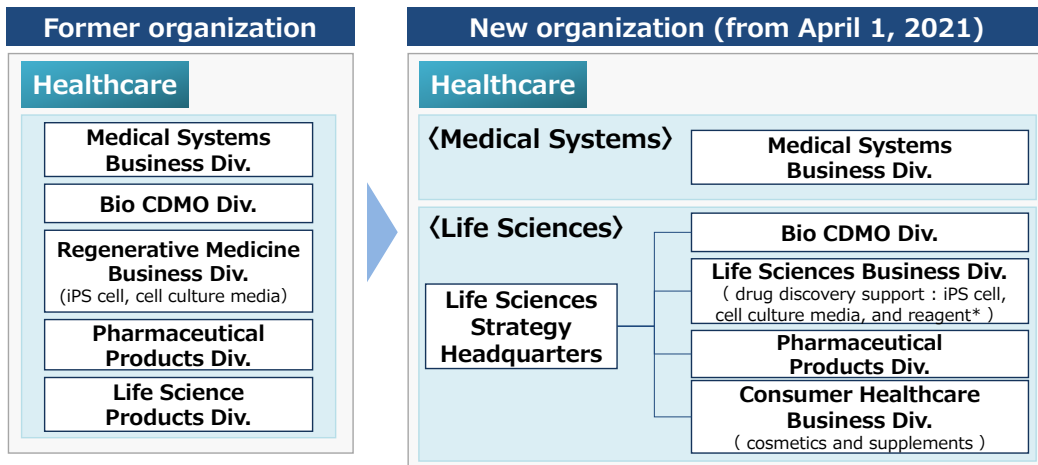


*OP excluding corporate expenses and eliminations 16

Under VISION 2023, we will grow Healthcare into Fujifilm’s largest segment, in terms of both revenue and operating income.

► **Redefine priority areas & restructure the organization**

- Categorize healthcare into medical systems and Life Sciences (covering Bio CDMO, drug discovery support and such), with Life Sciences Strategy Headquarters established to oversee life sciences field.
- In life sciences, make CDMO and drug discovery support priority areas.



I will first discuss the Healthcare segment.

In order to further accelerate the growth of the Healthcare business, a growth driver of Fujifilm, we restructured its organization. Healthcare has been divided into two main categories: Medical Systems, which includes medical devices and other systems, and Life Sciences, which includes bio CDMO, drug discovery support, and other areas. The new Life Sciences Strategy Headquarters was created to lead the Life Sciences category.

Under the headquarters, the new Life Sciences Business Division was established to strengthen drug discovery support-related businesses.

Through these organizational changes, we will make bio CDMO and drug discovery support (where high growth is expected over the medium-to-long term) the priority areas and will provide value on a one-stop basis as a company supporting cutting-edge drug discovery in order to work to further expand business in the area of the Life Sciences.

Health

Create a healthy society through providing advanced products and services globally in all areas of prevention, diagnosis, and treatment to reduce health disparities.

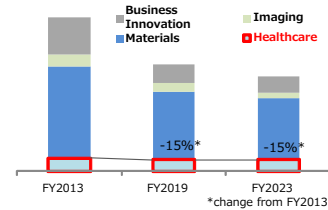
Medical Systems business

Create new value and help solve social issues by combining our enviable AI/IT technology with a broad product lineup.

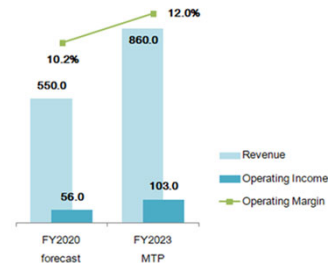
- Increase earnings with AI/IT solutions business, accelerating development of various medical devices centered on our AI platform "REILI".
- Create synergies for FUJIFILM Healthcare*.
- Strengthen IVD business overseas marketing, expand sales.
- Capture leading endoscopy hospitals in North America and gain market share by expanding "operating room" business armed with surgical devices.
- Step up social contribution to prevent spread of COVID-19 (ultrasound, X-ray equipment for doctor's rounds, antigen test kits, Hydro AG+ alcohol spray, etc.).

*The company that inherited Hitachi's diagnostic imaging-related business acquired on March 31, 2021.

CO₂ Emissions by Segment



Healthcare Business Results (billions of yen)



Let's first look at CO₂ emissions by segment on the upper-right of the slide. The graph shows the CO₂ emissions reduction target over product lifecycle stages that was discussed earlier by President Sukeno. Here the target is broken down by segment.

With regards to the business performance of the Healthcare segment, we are targeting revenue of ¥1 trillion in the mid-2020's, while for fiscal 2023, the revenue target is ¥860.0 billion.

Driving the growth of Healthcare are the Medical Systems business and Bio CDMO business.

The Medical Systems business increased significantly in scale through a business acquisition from Hitachi. We will now generate synergies and work to maximize revenue and income. In terms of specific initiatives, we will reinforce one-stop solutions with an expanded product lineup to greatly enhance solutions proposals for hospitals. Combining our strength in AI and IT technology, as well as with the CT, MRI, stand-alone ultrasound and other products added to our lineup through the acquisition, we will work to create new value and further expand the business. Moreover, we plan to grow sales globally by cross-selling through our various sales channels.

Bio CDMO business

Help improve medical accessibility and fulfill unmet medical needs through stable supply of high-quality biopharmaceuticals and process development and contract manufacture of gene therapeutics, an advanced medical field.

- Respond to rapidly expanding biopharmaceutical demand with industry-leading production technology and large-scale capital investment primarily in animal cell culture.
- Strengthen production capacity of cutting-edge gene therapeutics and genetically modified cell therapeutics by establishing a new manufacturing base (near Boston, US).
- Promote contract development and manufacturing of COVID-19 vaccines and therapeutics.

Life Sciences business (Drug discovery support: regenerative medicine, cell culture media, reagents)

Help further develop the pharmaceutical industry and create a regenerative medicine industry by actively promoting business in the biomedical field.

- Focus on regenerative medicine, cell culture media, and reagents that make use of our strengths to develop a total solution business for drug discovery support.
- Promote the contract development and manufacture of regenerative medicine products such as cell therapeutics.
- Strengthen supply and customer support capabilities for cell culture media with three production sites: the US, Europe, and Japan.

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For the Bio CDMO business, we are targeting revenue of ¥200.0 billion in fiscal 2024 and intend to achieve sales growth that outstrips the market growth rate.

We will meet rapidly expanding demand for biopharmaceuticals with industry-leading production technology and capital investment primarily in antibody drugs. There is a cluster of pharma companies involved in cutting-edge R&D around the U.S. city of Boston, and we plan to establish a process development and drug substance manufacturing base there for gene therapeutics, a market expecting sharp growth going forward. Through rapid provision of contract services from the initial stage of development, we will support the new drug development activities of customers.

In the Life Sciences business, we will provide a total solution business for drug discovery support with a focus on regenerative medicine, cell culture media, and reagents, which are areas where we can leverage our strengths. For cell culture media, where sales have been strong for biopharmaceutical manufacturing applications in particular, we will strengthen supply capacity and customer support capability with a three-pronged production system covering the U.S., Europe, and Japan.

Pharmaceutical business

Help further develop the pharmaceutical industry by utilizing our unique DDS* technology, manufacturing facilities, and infrastructure.

- Promote liposomal formulation development using our nano-dispersion, analysis, and process technologies.
- Use our lipid nanoparticulate manufacturing facilities and infrastructure to build a process development and contract manufacture business for next-generation nucleic acid drugs and mRNA vaccines.

Consumer Healthcare business (cosmetics, supplements)

Offer highly unique products that capture more needs and contribute to people's beauty and health by fully exploiting our long-cultivated core technologies.

- Cosmetics: Develop highly original products such as ASTALIFT White Jelly Aquarysta and develop ASTALIFT into a top-class brand.
- Supplements: Respond to growing needs to maintain and improve health, focusing on our MetabARRIER series.

*Drug Delivery System



In the Pharmaceutical business, we will promote liposomal formulation development with our proprietary DDS technology, utilize our lipid nanoparticle manufacturing facilities and infrastructures to build a process development and contract manufacturing business for next-generation nucleic acid drugs and mRNA vaccines.

For our Consumer Healthcare business, in the area of cosmetics, we will develop highly unique functional cosmetics and grow ASTALIFT into a top-class brand. In supplements, we will accommodate growing needs related to health maintenance and improvement, focusing on our MetabARRIER series and other functional products.

Daily Life

Contribute to creating a safe and secure society by developing and providing advanced functional materials in the era of promoting DX.

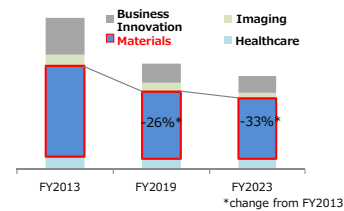
► **Highly Functional Materials**

Electronic Materials business

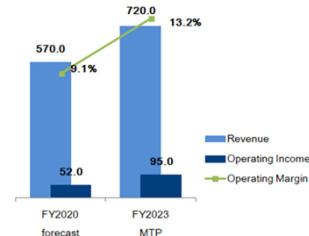
Accelerate market share expansion and strengthen profitability by offering a wide range of products that address miniaturization and high integration for cutting-edge semiconductors that are vital to 5G, AI, autonomous driving, etc.

- Expand sales of resist and other pre-process materials for the promising EUV market as well as post-process materials such as polyimide insulating film for 3D integration.
- Sensors: In addition to our image sensor materials that boast a high market share, we aim to develop new markets by supplying Wave Control Mosaic (WCM), electromagnetic wave control materials for ranging.

CO₂ Emissions by Segment



Materials Business Results
(billions of yen)



I will next go over our business strategy for the Materials segment, which works to solve issues in the area of Daily Life.

In Materials, we will help to create a society where people can live safely and securely by utilizing our light control material technologies and organic synthesis technologies to provide highly functional materials that support daily life in the AI/IoT age for applications such as communications, sensors, data management, and next-generation displays.

For the Electronic Materials business, we will accelerate growth by providing a wide range of products for semiconductor miniaturization and high-level integration, starting with the cutting-edge semiconductors used in 5G, autonomous driving and other applications.

In the field of sensors, along with our image sensor materials, we will pioneer new markets with Wave Control Mosaic (WCM), electromagnetic wave control materials for ranging.

Display Materials business

Create timely new products to suit changing market environments by utilizing our wide-ranging technical capabilities that can also be used for next-generation displays.

- Extend materials (anti-reflection film) for organic EL that have gained de facto standards for smartphone applications to TV applications as well.
- Develop new technologies focused on foldable smartphones and rollable TVs, which are expected to witness growing demand, by leveraging our advanced thin film formation technology.
- Introduce differentiated products in the in-vehicle market, a new target area.

Other Highly Functional Materials

Fine Chemical: Create new businesses (highly functional polymers, colorant dyes, battery materials, etc.).

Industrial Materials: Develop solutions business with existing products such as inspection materials (NDT, *Prescale*) and create new businesses (optical sensors and communication-related materials).

Recording Media: Expand sales of storage tapes to support data growth in the 5G/AI era and accelerate sales expansion in China.

In the Display Materials business, we intend to promote new development by extending application of our organic EL materials, which already have a large share of the smartphone market, to televisions as well, and also by launching products for in-vehicle displays and VR/AR applications.

In Fine Chemicals, Industrial Materials, and Recording Media, we will expand sales of highly competitive existing products and create new businesses to produce further growth in these areas.

► **Redefine priority areas, restructure an organization**

- Fujifilm's Graphic Systems Business Div. and FUJIFILM Business Innovation's Graphic Communication Service Business Group will be integrated into the **Graphic Communication Div.** as of July 1, 2021.
- Develop one-stop solutions from analog to digital and lead industry digitalization by combining the sales, technology and product prowess of the graphic systems business, which has a broad customer base centered on commercial printing and package printing, with that of the production business, which is renowned for its digital printing technology.

Graphic Communication business

• **Digital Printing**

Accelerate growth by establishing overseas businesses through integration synergies and expanding sales areas fully utilizing available Fujifilm channels.

• **Analog Printing**

Increase market share by focusing on the replacement of offset printing plates to environment-conscious processless plates.

Inkjet business

- Develop, introduce, and expand sales of high-precision, high-productivity inkjet printer heads, food-safe watercolor pigment inks, and custom system integrating head and ink according to customer needs for growing markets (commercial printing, and package printing).

I will next explain our business strategy for graphic communication, which is part of the Materials segment.

As of July 1, we plan to integrate the Graphic Systems Business Division of Fujifilm and the Graphic Communication Service Business Group of FUJIFILM Business Innovation into the new Graphic Communication Division.

By combining the sales, technology and product capabilities of both divisions, we will develop one-stop solutions from analog to digital and lead the industry's digitalization.

In digital printing, we will utilize Fujifilm's global sales channels to promote the global development of the production business.

In analog printing, we will work to replace conventional offset printing plates with environmentally conscious processless plates.

In the Inkjet business, we will take aim at growth markets like commercial printing and packaging and work to expand sales of inkjet printer heads with high precision and high productivity, food-safe watercolor pigment inks, and custom systems that combine print heads and inks in line with customer needs.

Daily Life

Contribute to enriching humanity and peaceful life by developing and providing high-quality and high-performance products and services in picture and imaging field.

► **Redefine priority areas, restructure an organization**

- The Photo Imaging Products Div. and the Optical Device & Electronic Imaging Products Div. have been integrated into the **Imaging Solutions Div.** Use wide-ranging technical assets, from photographic devices to printing, as a base to accelerate new product and service creation.

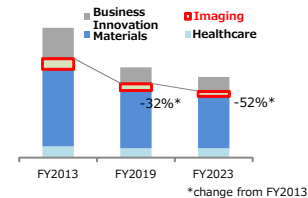
Consumer Imaging

- *Instax* instant photo systems: Introduce various new products and apps and promote cross-industry cooperation to propose different ways to enjoy *instax* and expand user base.
- Expand environment-conscious dry systems (inkjet, xerography, etc.) to meet strong smartphone printing demand.

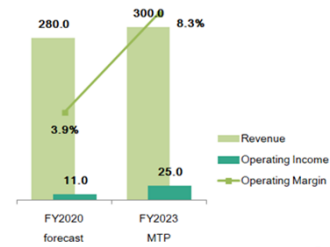
Professional Imaging

- Develop high-end mirrorless camera (GFX/X series) that achieves outstanding image quality with our unique color reproduction technology and is small and light.
- Monitoring, measurement, digital signage: Promote image recognition solutions business.

CO₂ Emissions by Segment



Imaging Business Results
(billions of yen)



Next I will discuss our business strategy for the Imaging segment.

In Imaging, we will propose to customers diverse ways of enjoying and appreciating photos in order to help people further enrich their lives.

The Photo Imaging Products Division and Optical Device & Electronic Imaging Products Division have been integrated to form the new Imaging Solutions Division. We will meet the diversifying imaging needs as a general imaging manufacturer by accelerating the creation of new products and services based on our wide range of technology assets, from photographic devices to printing.

We are reorganizing the Imaging business into consumer imaging and professional imaging and will provide optimal products, services, and solutions in both areas.

In consumer imaging, for the *Instax* instant photo systems, we will propose various ways of enjoying the systems and expand the user base by launching new products and promoting cross-industry collaboration. In response to rampant demand for printing from smartphones, we will expand our lineup of environmentally conscious dry systems, including inkjet and xerography products.

In professional imaging, we plan to increase market share with the GFX/X series of high-end mirrorless cameras featuring outstanding image quality in a light, compact body. We will also promote the image recognition solutions business for monitoring, measurement, and digital signage.

Work Style

Contribute to a social change where people feel motivated to work through providing products and solution services worldwide that increase productivity and inspire creativity.

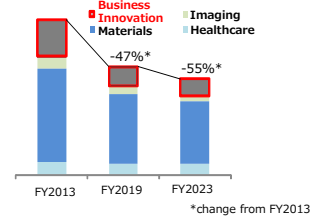
► **Accelerate global development**

- Invigorate market and expand share by introducing new products under the Fujifilm brand.
- Expand OEM supply.
- Build a distributor network in Europe and emerging countries to develop the Fujifilm brand.
- Exploit business foundations and technology assets shared with Fujifilm.
- Provide solution services globally that support innovation of work styles and DX.

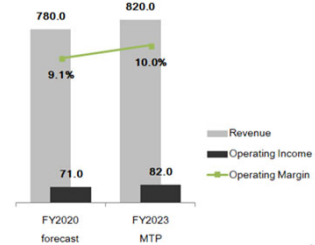
New Productions with FUJIFILM brand



CO₂ Emissions by Segment



Business Innovation Results
(billions of yen)



Lastly, I will discuss the Business Innovation segment, which offers solutions in the Work Style priority area.

In Business Innovation, we intend to accelerate global development with the Fujifilm brand and provide products and solution services for work style reform, increasing productivity, and inspiring creativity.

We plan to launch new Fujifilm brand products and accelerate global development. We are also aiming to penetrate new markets in Europe, emerging countries, and elsewhere through distributors.

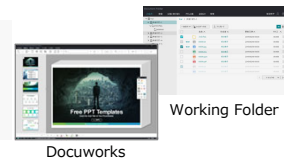
Sales will be expanded globally through OEM supply as well. Furthermore, we will utilize Fujifilm’s sales networks, human resources, technologies and other infrastructure.

In addition, we plan to provide solution services on a global basis to support work style innovation and digital transformation.

▶ **Accelerate growth by further strengthening solution services**

1. Improve productivity derived from multifunction devices

Enhance document management and cloud collaboration using multifunction devices with strong security as gateways (Docuworks/Working Folder/Inter-company cloud linking, etc.)



2. Expand IT services for SMB*1 customers

Provide total IT services to SMB*1 customers with IT issues due to the "one-person system,"*2 etc. (IT Expert Service/IT Safety Premium/beat/Multi-Vendor Service, etc.)



3. Solve management issues with work style reforms and DX

Accelerate support for customer work style innovation and DX based on the digitization of paper documents (Ripcord/CocoDesk/Netprint Service, etc.)



*1 Small and Medium Business
*2 Issues of operating IT properly with only one employee or no full-time employees in information systems

The first solution service for handling customer issues will improve customer productivity from the starting point of multifunction devices. With our multifunction devices and their robust security as the gateway, we will strengthen the linkage between document management and cloud services.

The second solution expands IT services for customers in the SMB market. For customers with issues related to their IT resources—for example, companies incapable of appropriate IT operations because their information systems divisions consist of just one person—we intend to expand provision of total IT services.

The third is accelerating the provision of solution services that support customers' work style reforms and digital transformation based on the digitalization of paper documents. This includes, for example, services provided by FUJIFILM RIPCORDER. We will help companies execute business process reform and digital transformation through the rapid, automated creation of image data for the paper documents retained in large volume by financial institutions, government, energy-related companies, and other organizations, and through automated classification using AI and cloud-based data management.



Fujifilm will not only pursue corporate growth; by solving social issues as our corporate philosophy, we will continue the challenge until the issues facing society are eliminated, and we will not fear any change necessary to accomplish this and we will never stop. We will grow going forward with this as our philosophy.

This concludes our presentation on the medium-term management plan VISION 2023.

Medium-Term Management Plan **VISION 2023**

Appendices

SVP 2030: Main Goals and Activity Results

Priority Areas	Priority Issues	FY2030 Targets	Activity Results
Environment	Countermeasures to climate change.	Reduce Fujifilm Group CO ₂ emission levels by 30% by FY2030 (compared to FY2013 level).	Achieved the 30% reduction target ahead of schedule. →Revised FY2030 target up to 45%.
		Help reduce accumulated CO ₂ emissions in society through products and services by 50 million tons by FY2030.	Heading steadily towards target. →Revised the target from 50 to 90 million tons.
Health	Fulfill unmet medical needs.	Develop and disseminate new treatments including regenerative medicine and cell therapy.	Supported drug discovery by providing bio CDMO services, iPS cells, and cell culture media.
	Improve accessibility to medical services.	Reduce burden on medical professionals by utilizing IT.	Developed and launched products and services in 57 countries to aid diagnosis with AI technology.
Daily Life	Contribute to creating a safe and secure society.	Develop and promote product and service technologies that help create an ICT society.	Developed and launched new products, incl. magnetic tape data storage media (30TB maximum recording capacity).
	Contribute to enriching spiritual wealth and human relationships.	Contribute to peaceful and enriched life with inspiring photographic and video records and photographic products that immortalize memories.	Held participatory photo exhibitions worldwide incl. "PHOTO IS" Connecting Ideas—The Photography of 50,000 People 2019.
Work Style	Create motivated working environments (offer solution services).	Help generate innovations for organizations and society by offering solution services that improve worker productivity and inspire worker creativity.	Provide solution services such as "Net Print® Service" to support COVID-induced teleworking.

ROIC*

	FY2020 forecast	FY2021 VISION2023	FY2023 VISION2023
Healthcare	3.5%	4.3%	5.3%
Materials	8.1%	8.2%	12.9%
Business Innovation	8.8%	9.1%	10.6%
Imaging	6.1%	7.0%	12.1%

*ROIC (by segment) = NOPAT / (working capital + fixed assets)

Consolidated total	4.2%	4.6%	6.1%
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*ROIC (cons. total) = NOPAT / (interest-bearing debt + shareholders' equity)

Depreciation & Amortization (Billions of yen)

	FY2020 forecast	FY2021 VISION2023	FY2023 VISION2023
Healthcare	44.0	54.0	57.0
Materials	28.0	28.0	35.0
Business Innovation	40.0	39.0	38.0
Imaging	15.0	15.0	15.0
Corporate Expenses & Eliminations	3.0	4.0	5.0
Total	130.0	140.0	150.0

CAPEX & R&D Expenses
cumulative total (FY2021 - FY2023) (Billions of yen)

	Capex	R&D Expenses	Total
Healthcare	450.0	144.0	594.0
Materials	110.0	125.0	235.0
Business Innovation	120.0	114.0	234.0
Imaging	40.0	27.0	67.0
Corporate Expenses & Eliminations	30.0	80.0	110.0
Total	750.0	490.0	1,240.0

■ Fujifilm Group Corporate Philosophy

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.

■ Fujifilm Group Vision

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.

FUJIFILM

Value from Innovation

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.

FUJIFILM Holdings Corporation

Corporate Communications Div.

<https://holdings.fujifilm.com/en>