



Financial Results (Consolidated) for the the Fiscal Year ended March 31, 2020

FUJIFILM Holdings Corporation

Kenji Sukeno

President and Chief Operating Officer

Date of annual shareholders' meeting: June 26, 2020

Projected date of the beginning of cash dividends: June 29, 2020

Projected date of annual securities report: June 29, 2020

Reference materials regarding operating results of the current fiscal year to be prepared: Yes

Meeting to explain operating results of the current fiscal year to be held: Yes

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

May 22, 2020

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

1. Results of the Fiscal Year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings	
		%		%		%		%
Year ended March 31, 2020	2,315,141	(4.8)	186,570	(11.1)	173,071	(18.7)	124,987	(9.5)
Year ended March 31, 2019	2,431,489	(0.1)	209,827	70.1	212,762	7.6	138,106	(1.8)

Note: Comprehensive income

Year ended March 31, 2020 ¥ 88,289 million (-46.3%)

Year ended March 31, 2019 ¥ 164,517 million (50.2%)

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)	Return on FUJIFILM Holdings shareholders' equity	Ratio of income before income taxes to total assets	Ratio of operating income to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2020	306.18	305.22	6.3	5.1	8.1
Year ended March 31, 2019	326.81	325.82	6.7	6.2	8.6

(Ref) Equity in net earnings of affiliated companies

Year ended March 31, 2020 ¥ 1,341 million

Year ended March 31, 2019 ¥ 418 million

(2) FINANCIAL POSITION

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

	Total assets	Total equity (Net asset)	FUJIFILM Holdings shareholders' equity	FUJIFILM Holdings shareholders' equity ratio to total assets	FUJIFILM Holdings shareholders' equity per share
				%	Yen
Year ended March 31, 2020	3,321,692	1,993,757	1,953,252	58.8	4,886.66
Year ended March 31, 2019	3,414,692	2,244,841	2,036,963	59.7	4,976.88

(3) CASH FLOWS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

	Net Cash provided by Operating Activities	Net Cash used in Investing Activities	Net Cash used in Financing Activities	Cash and Cash Equivalents at the end of year
Year ended March 31, 2020	255,667	(244,850)	(250,943)	396,091
Year ended March 31, 2019	249,343	(208,585)	(153,522)	654,747

2. Cash Dividends

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen

	Cash dividends per share					Total cash dividends	Consolidated pay out ratio	Ratio of cash dividends to shareholders' equity
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total			
	Yen	Yen	Yen	Yen	Yen		%	%
Year ended March 31, 2019	-	40.00	-	40.00	80.00	33,403	24.5	1.6
Year ended March 31, 2020	-	47.50	-	47.50	95.00	38,432	31.0	1.9
Year ending March 31, 2021 (Forecast)	-	-	-	-	-		-	

Note: Cash dividends per share for the fiscal year ending March 2021 is undecided.

3. Forecast for the Fiscal Year ending March 31, 2021 (From April 1, 2020 to March 31, 2021)

The consolidated earnings forecast is undecided because of difficulties in calculating a reasonable forecast at this stage due to the global epidemic of COVID-19. In the future, we will carefully assess its impact on our business performance and will make a public announcement as soon as a reasonable forecast can be disclosed.

Notes

(1) Changes in status of material subsidiaries during the period

(Company newly consolidated or removed from consolidation): None

(2) Changes in accounting principles

1. Changes in accounting policies accompanying amendment of accounting standards: Yes

2. Other changes in accounting policies: None

(3) Number of shares outstanding

1. Issued (including treasury stock):

2. Treasury stock:

3. Average number of shares:

As of March 31, 2020	514,625,728	As of March 31, 2019	514,625,728
As of March 31, 2020	114,914,288	As of March 31, 2019	105,340,377
Year ended March 31, 2020	408,215,110	Year ended March 31, 2019	422,591,209

(Reference) Summary of Financial Results (Non-Consolidated)

Results of the Fiscal Year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded down to the nearest million yen

%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Ordinary income		Net income	
		%		%		%		%
Year ended March 31, 2020	60,391	(16.6)	55,108	(17.6)	240,630	270.3	254,448	290.0
Year ended March 31, 2019	72,382	56.3	66,892	62.0	64,974	(6.6)	65,240	4.7

	Net income per share of common stock	Net income per share of common stock (Assuming full dilution)
	Yen	Yen
Year ended March 31, 2020	623.32	621.27
Year ended March 31, 2019	154.38	153.90

(2) FINANCIAL POSITION

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded down to the nearest million yen

	Total assets	Net assets	Net asset ratio to total assets	Net assets per share of common stock
			%	Yen
Year ended March 31, 2020	1,852,948	1,251,907	67.1	3,121.02
Year ended March 31, 2019	1,707,924	1,091,421	63.7	2,656.98

(Ref) Shareholders' equity

Year ended March 31, 2020 ¥ 1,242,996 million

Year ended March 31, 2019 ¥ 1,087,463 million

Disclosure regarding the status of the year-end audit process

These Financial Results (Consolidated) for the Fiscal Year ended March 31, 2020 are out of scope for the year-end audit procedure by certified public accountants or audit firm.

Explanation of Appropriate Use of Forecast and Other Special Items

The consolidated earnings forecast is undecided because of difficulties in calculating a reasonable forecast at this stage due to the global epidemic of COVID-19.

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1. ANALYSIS OF OPERATING RESULTS AND CONSOLIDATED FINANCIAL POSITION

(1) Analysis of Results of Operations

Amount Unit: Billions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
Domestic revenue	43.4%	1,004.0	41.4%	1,006.5	(2.5)	(0.2)
Overseas revenue	56.6%	1,311.1	58.6%	1,425.0	(113.9)	(8.0)
Revenue	100.0%	2,315.1	100.0%	2,431.5	(116.4)	(4.8)
Operating income	8.1%	186.6	8.6%	209.8	(23.2)	(11.1)
Income before income taxes	7.5%	173.1	8.8%	212.8	(39.7)	(18.7)
Net income attributable to FUJIFILM Holdings	5.4%	125.0	5.7%	138.1	(13.1)	(9.5)
Exchange rates (Yen / US\$)		¥109		¥111		(¥2)
Exchange rates (Yen / Euro)		¥121		¥128		(¥7)

Overviewing the global economy during the fiscal year ended March 31, 2020 (April 1, 2019 through March 31, 2020), economic activities have been restrained and are rapidly slowing down due to the global pandemic of the new coronavirus infectious disease (COVID-19). Currently, the Japanese economy is also significantly depressed and put into a difficult situation. These severe situations influenced by COVID-19 are expected to continue and we need to pay close attention to the risk of a downturn in the domestic and overseas economies.

In the fiscal year ended March 31, 2020, the Fujifilm Group (the Group) recorded ¥2,315.1 billion in consolidated revenue (down 4.8% from the previous fiscal year), reflecting such factors as a sales decrease in the photo imaging business, optical device and electronic imaging business and document business, although sales increased in the medical systems business, bio CDMO business, regenerative medicine business, electronic materials business and others.

Operating income amounted to ¥186.6 billion (down 11.1% from the previous fiscal year). Consolidated income before income taxes amounted to ¥173.1 billion (down 18.7% from the previous fiscal year) and consolidated net income attributable to FUJIFILM Holdings totaled ¥125.0 billion (down 9.5% from the previous fiscal year). The effective currency exchange rates for the U.S. dollar and the euro against the yen during this fiscal year were ¥109 and ¥121, respectively.

Revenue by Operating Segment

Amount Unit: Billions of yen

Segment	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
Imaging Solutions		332.6		386.9	(54.3)	(14.0)
Healthcare & Material Solutions		1,024.2		1,039.0	(14.8)	(1.4)
Document Solutions		958.3		1,005.6	(47.3)	(4.7)
Consolidated Total		2,315.1		2,431.5	(116.4)	(4.8)

Operating Income by Operating Segment

Amount Unit: Billions of yen

Segment	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020	Year ended March 31, 2019 From April 1, 2018 To March 31, 2019	Change	
			Amount	%
Imaging Solutions	25.1	51.1	(26.0)	(51.0)
Healthcare & Material Solutions	92.4	97.6	(5.2)	(5.3)
Document Solutions	105.0	96.4	8.6	9.0
Corporate Expenses and Eliminations	(35.9)	(35.3)	(0.6)	-
Consolidated Total	186.6	209.8	(23.2)	(11.1)

Imaging Solutions

In the Imaging Solutions segment, consolidated revenue amounted to ¥332.6 billion (down 14.0% from the previous fiscal year). Launching new products was partly postponed until the fiscal year ending March 2021 due to the spread of COVID-19 epidemic, causing our group factories in China to postpone the restart of operations by extending the spring holidays, and its operation rate to decline after the restart because of a difficulty in securing employees. In addition, sales of consumer products such as the *instax* series of instant photo system and the *X* series of mirrorless digital cameras were affected by the decrease in the number of customers at retail stores and the closure of stores.

Consolidated operating income amounted to ¥25.1 billion (down 51.0% from the previous fiscal year).

In the photo imaging business, revenue decreased due to a decline in demand for color paper and the spread of the COVID-19 pandemic. With regard to the instant photo systems that allow users to enjoy on-the-spot printing of photos, the *instax mini 11*, the latest version of an entry-level model particularly popular worldwide, was launched in March 2020 in Europe and the United States. We will continue to provide better products and services to meet diversifying customer needs in a wide range of fields from analog to digital.

In the electronic imaging field of the optical device and electronic imaging business, sales decreased due to the decline in sales of entry-level digital cameras and the spread of the COVID-19 epidemic. However, sales were strong for the *FUJIFILM GFX 100*, a mirrorless digital camera equipped with a large format sensor with the world's highest^{*1} 102 million pixels launched in June 2019, and the *FUJIFILM X100V*, a high-end compact digital camera launched in February 2020.

In the optical device field, sales decreased mainly due to a decline in demand for various industrial use lenses including vehicle-mounted lenses, affected by the slowdown in the Chinese economy. In March 2020, Fujifilm started the sales of two 4K-compatible broadcast lenses; one with the world's highest^{*2} zoom ratio of 125x, and the other incorporating the AF function for the first time in the world. In addition, we are aiming for business growth by strengthening the development of new products such as the *FUJIFILM PROJECTOR Z5000*, a new projector that expands the freedom of projection with its two-axial rotatable lens, and the *FUJIFILM SX800*, a long range surveillance camera with a built-in lens.

*1 Among consumer-use mirrorless digital cameras as of May 18, 2020 according to Fujifilm data

*2 Among box-type broadcast lenses with zoom magnification of 50x or greater as of November 13, 2019 according to Fujifilm data

Healthcare & Material Solutions

In the Healthcare & Material Solutions segment, consolidated revenue amounted to ¥1,024.2 billion (down 1.4% from the previous fiscal year). Sales were affected by due to the impact of COVID-19 epidemic, such as refrained sales activities to hospitals and delayed business negotiations in the medical systems business, suspended in-store events and directly-managed stores in the life science business, and reduced printing demand due to self-restraint of events in the graphic systems business.

Operating income amounted to ¥92.4 billion (down 5.3% from the previous fiscal year).

In the medical systems business, despite the impact of COVID-19 epidemic, revenue increased due to solid sales in such business fields as medical IT, endoscopes and in-vitro diagnostics (IVD). In the X-ray imaging diagnostics field, sales of digital mammography systems were favorable not only in the United States, the biggest market, but also in emerging markets such as Latin America and the Middle East. In addition, sales increased for mobile X-ray imaging equipment, which can be moved between multiple hospital beds for screening, as its demand rapidly increased mainly in Europe and the United States due to the COVID-19 epidemic. In the medical IT field, revenue increased with strong sales of systems, particularly *SYNAPSE*, Picture Archiving Communication Systems (PACS), mainly in Japan. In the endoscopes field, overseas sales were strong for such products as the *7000* systems, capable of unique special-light illumination. In the ultrasound diagnostics field, sales increased for such products as *SonoSite Edge II*, a portable ultrasound diagnostic device that can be carried to a hospital bed easily, as the demand for pneumonia tests and treatments rapidly increased due to the COVID-19 epidemic. In the field of IVD, sales were solid for the *FUJI DRI-CHEM* series of blood examination systems. In December 2019, Fujifilm announced the acquisition of Diagnostic Imaging-related Business from Hitachi Ltd. Through this acquisition, we will provide a wider range of high-quality solutions than ever, play a leading role in improving the quality of medical care, and establish a solid business foundation to become one of the world's leading healthcare companies.

In the pharmaceutical business, revenue declined due to reduced sales of generic drugs aimed at improving profitability. In March 2020, a Phase III clinical trial of *Avigan® Tablet* (generic name: favipiravir), influenza antiviral drug, was initiated for patients of COVID-19 in Japan. In the United States, a phase II clinical trial started in April 2020. Fujifilm already began increased production of *Avigan* and is in coordination with the Japanese government to contribute to the prevention and end of the COVID-19 epidemic, and the improvement of public health in the future. In February 2020, Fujifilm also started operation of a new dedicated manufacturing facility and began offering contract services of process development and manufacturing of liposome formulations, which is a drug delivery system (DDS) that selectively delivers drugs and enhances their efficacy. We will contribute to further development of the pharmaceutical industry by developing new drugs that meet unmet medical needs and by utilizing DDS and other technologies that have been cultivated thus far to support the creation of drugs.

In the bio CDMO business, revenue increased as the contract process development and manufacturing business for biopharmaceuticals progressed favorably. Biogen (Denmark) Manufacturing ApS, a manufacturing subsidiary of a major biopharmaceutical company Biogen Inc., which became a consolidated subsidiary in August 2019, also contributed to the increase in sales. In March 2020, Fujifilm announced the introduction of a new production line equipped with microbial culture tanks, investing approximately ¥9 billion in the United Kingdom site to further expand the production capacity of biopharmaceuticals. The new production line is scheduled to be operational after 2022. Fujifilm is committed to support the creation of new therapies through the stable supply of high-quality pharmaceuticals, solve social issues such as responding to unmet medical needs, and contribute to the development of the healthcare industry.

In the regenerative medicine business, sales were strong for cell culture media provided by FUJIFILM Irvine Scientific, Inc., a consolidated subsidiary in the U.S. The business of iPS cell-based drug discovery support by FUJIFILM Cellular Dynamics, Inc. (FCDI), a U.S. subsidiary, also progressed favorably. In March 2020, FCDI began operation of its new production facility for therapeutic iPS cells called “Innovation Facility for Advanced Cell Therapy (i-FACT)”. Fujifilm will continue its contribution to early industrialization of regenerative medicine by leveraging technologies and expertise of its group companies.

In the life sciences business, although it was affected by the COVID-19 epidemic, sales were solid for the renewed *ASTALIFT JELLY AQUARYSTA*, a jelly-type beauty serum, and supplements such as the *MetabARRIER EX*. We will contribute to people's beauty and health by providing unique products that meet customer needs.

In the display materials business, although overall sales decreased due to such factors as production adjustment at panel manufacturers and a declined demand for the *WV film*, sales remained solid for products related to OLED.

In the industrial products business, although overall sales declined mainly due to inventory adjustment at customers for *EXCLEAR*, touch-panel sensor films, sales were solid for non-destructive testing equipment.

In the electronic materials business, revenue increased as sales remained solid for such products as CMP slurries, although the sales of peripheral materials for advanced photolithography were affected by the

sluggish semiconductor market.

In the fine chemical business, overall sales remained at the same level as the previous year, reflecting the solid sales of laboratory chemicals in the life science field.

In the recording media business, revenue increased due to favorable sales of the *FUJIFILM LTO Ultrium8 Data Cartridge*, a magnetic data storage tape with a maximum storage capacity of 30 TB. Fujifilm is making sure to meet customer needs in the big data era by expanding the sales of magnetic data storage tapes that utilize unique technologies such as barium ferrite (BaFe) particles, and by providing data archiving services.

In the graphic systems business, revenue decreased due to a declined demand for printing plates and the impact of the COVID-19 epidemic. In the printing plates field, we are promoting the sales of environmentally responsive products including process-less CTP plates. In the digital printing field, Fujifilm continues to aim for business growth by developing and providing innovative products such as the *Jet Press750S*, a commercial inkjet digital press, to the increasingly digitalized commercial and package printing market.

In the inkjet business, revenue decreased as the sales of industrial inkjet printheads were affected by the decline in demand due to such factors as the economic slowdown in China. In November 2019, Fujifilm launched the *Samba JPC*, an inkjet printer component that encompasses core parts and software required for developing industrial single-pass inkjet printing devices for commercial and package printing applications. We will continue to develop and supply innovative products for the industrial inkjet printer market, whose areas of application are expanding, thereby contributing to the advancement of various industries.

Document Solutions

In the Document Solutions segment, consolidated revenue amounted to ¥958.3 billion (down 4.7% from the previous fiscal year) due to such factors as a negative impact of foreign exchange from depreciation of Asian currencies, a decline in exports to Europe and the United States, and the COVID-19 epidemic.

Operating income amounted to ¥105.0 billion (up 9.0% from the previous fiscal year) due to improved profitability from operational reforms and so on.

In the office products field of the office products and printers business, overall sales volume decreased from the same period of the previous fiscal year mainly due to the COVID-19 epidemic. Sales in the Asia Pacific region and exports to Europe and the United States declined, and the domestic sales of the *Apeosport-VII C* series, our flagship A3 color multifunction devices, were lower than the previous year in the fourth quarter. On the other hand, the spread of work-from-home as a countermeasure against the COVID-19 infection has increased the demand for the *Netprint®* service using our multifunction printers installed at Seven-Eleven stores nationwide. In the office printers field, sales volume decreased due to a reduction in low-profitability parts of the low-end printer business.

In the production services business, although the sales of printers for mission-critical systems decreased, the overall number of sales units increased from the same period of the previous fiscal year as the sales remained strong in each region for an on-demand production color printer called the *Iridesse™ Production Press*, whose variations for customizing increased with an addition of special toners that realize rich color expression, and sales were solid for the *DocuColor 1450 GA (Model-NE)*, a color printer for DTP (Desktop publishing) in Japan.

In the solutions and services business, overall revenue increased due to a large BPO (Business Process Outsourcing) contract acquired in Australia and solid sales of services in Japan that support design/introduction/operation/management of IT environments in the office. While strengthening sales of services such as the *beat*, which realizes a strong security and the easy, convenient network environment, we aim for further growth in the service field by continuously providing new solutions and services that support customers in the diversification of work styles.

Outlook for the Fiscal Year ending March 31, 2021

The consolidated performance forecast for the fiscal year ending March 31, 2021 is undecided because of difficulties in calculating a reasonable business forecast at this stage due to the global epidemic of COVID-19. In the future, we will carefully assess its impact on our business performance and will make a public announcement as soon as a reasonable forecast can be disclosed.

(2) Analysis of Consolidated Financial Position

(Assets, Liabilities, Shareholders' Equity, and Cash Flows)

At the end of the fiscal year ended March 31, 2020, total assets decreased by ¥93.0 billion, compared with the end of the previous fiscal year, to ¥3,321.7 billion, owing to decrease in cash and cash equivalents and other factors. Total liabilities increased by ¥158.1 billion, compared with the end of the previous fiscal year, to ¥1,327.9 billion. FUJIFILM Holdings shareholders' equity decreased by ¥83.7 billion, compared with the end of the previous fiscal year, to ¥1,953.3 billion. As a result, the current ratio decreased by 20.9 percentage points, to 225.6%, the debt-equity ratio increased by 10.6 percentage points, to 68.0%, and the equity ratio decreased by 0.9 percentage points, to 58.8%, compared with the end of the previous fiscal year. FUJIFILM Holdings (the Company) is maintaining a stable level of asset liquidity and a sound capital structure.

During the fiscal year ended March 31, 2020, net cash provided by operating activities totaled ¥255.7 billion, due to a decrease in notes and accounts receivable and other factors. Net cash used in investing activities amounted to ¥244.9 billion, mainly due to acquisition of businesses. Thus, free cash flows—or the sum of cash flows from operating and investing activities—decreased by ¥29.9 billion, compared with the previous fiscal year, to ¥10.8 billion. Net cash used in financing activities amounted to ¥250.9 billion, due to net purchases of stock for treasury, capital transactions with noncontrolling interests and other factors.

As a result, cash and cash equivalents at the end of the fiscal year under review amounted to ¥396.1 billion, down ¥258.7 billion from the end of the previous fiscal year.

(Reference) Cash Flow Related Indices (Consolidated)

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020	Year ended March 31, 2019 From April 1, 2018 To March 31, 2019
Ratio of shareholders' equity to total assets (%)	58.8	59.7
Ratio of market capitalization to total assets (%)	65.4	60.3
Ratio of interest-bearing debt to operating cash flow (years)	2.5	2.1
Interest coverage ratio (times)	110.4	75.2

Notes:

1. Market capitalization equals the stock price at the end of the year multiplied by the number of shares outstanding at the end of the fiscal year, excluding treasury stock.
2. Interest-bearing debt includes corporate debt securities and short- and long-term debt.
3. Interest coverage ratio: Operating cash flow divided by interest paid

(3) Basic Policy Regarding Distribution of Profits and Dividends Applicable to the Fiscal Year under Review and Subsequent Fiscal Year

In addition to reflecting consolidated performance trends, dividend levels are to be determined based on the consideration of such factors as the level of funds required for M&A transactions, capital investment and R&D investments needed to support priority business expansion, as well as other measures aimed at increasing the Company's corporate value in the future. Adequate buybacks will be undertaken considering the situation of cash flows and stock prices. The Company has the policy of shareholder returns that puts emphasis on cash dividends, setting the targeted dividend payout ratio of 25% or more.

The Company plans to disburse year-end cash dividends of ¥47.50 per share. As interim cash dividends of ¥47.50 per share have already been disbursed, cash dividends applicable to the fiscal year under review are expected to total ¥95.00 per share.

The dividends for the fiscal year ending March 31, 2021 are undecided at this stage and will be announced as soon as a reasonable forecast can be disclosed.

2. CORPORATE STRUCTURE OF FUJIFILM GROUP

Since there have not been any significant changes in business and group structures disclosed in the latest Annual Security Report filed on June 28, 2019, we omit the relevant disclosure.

3. MANAGEMENT POLICIES

After the year 2000, when the demand for photographic films started to decline drastically, the Group proceeded with a proactive conversion of its business structure. As a result, the Group has built a strong management base to generate stable profit and is now promoting new growth strategies. In August 2017, the new CSR program for the fiscal year ending March 31, 2031, called “Sustainable Value Plan 2030 (hereafter “SVP2030”),” was drawn up. We have addressed the solution of social issues by creating “new values” through our business activities, such as delivery of innovative technologies, goods and services. Fujifilm will continue to be a company that contributes to the realization of a sustainable society. The medium-term management plan “VISION2019” was implemented as a specific action plan for achieving the vision set out in the SVP2030. The Group positioned each business in the three stages of “improving profitability,” “accelerating growth” and “investing for the future”, and strengthened their profitability of each business by appropriately implementing measures tailored to its growth process. As a result, the Group has further strengthened its business portfolio and taken a further leap forward.

In the fiscal year ending March 31, 2021, we are facing an unprecedented situation caused by the global epidemic of COVID-19, where the real economy is stagnated by declarations of a state of emergency and immigration restrictions in many countries, and the postponement of the Tokyo Olympics and Paralympics. While monetary easing and economic stimulus measures promoted in each country are expected to contribute to boosting the economy after the end of the COVID-19 epidemic, the outlook for socioeconomic conditions will remain quite uncertain both in Japan and overseas, as there is concern that the global economic downturn will worsen in case of prolonged epidemic. Under these circumstances, the Group will strive to improve profitability of all businesses and promote stable cash generation. With particular emphasis on “business growth in the healthcare and highly functional materials fields” and “new growth strategy and further improvement in profitability of document business”, we will strengthen our business portfolio to overcome these difficult situations.

[Steady business growth in the healthcare and highly functional materials fields]

In the healthcare business field, the medical systems business and bio CDMO business will drive sales growth to ensure increase in income and profit. The pharmaceutical business and regenerative medicine business will be fostered by improving R&D efficiency and promoting alliances with partners. In addition, to contribute to the prevention of the spread of COVID-19 infection and the end of the epidemic, we will work on the early delivery of *Avigan® Tablet* and undertaking process development and manufacturing contracts for therapeutic drugs from pharmaceutical companies.

In the medical systems business, we are advancing the development and practical application of AI technology that supports workflow of the medical field under the brand name *ReiLI* in the medical IT field. Leveraging this technology, we will further strengthen solution proposals using our broad product lineup of X-ray diagnostic imaging devices, endoscopes, ultrasound and In-vitro Diagnostics (IVD). In North America, which is the largest market, we aim to expand business by not only promoting the introduction of endoscope systems and strengthening the sales of surgical treatment tools to major hospitals, but also accelerating business development in the system integration market for operating rooms. In addition, we will build a solid business foundation for further growth of the medical systems business by maximizing synergies with the diagnostic imaging-related business to be acquired from Hitachi, Ltd.

In the bio CDMO business, whose market is expected to grow rapidly, Fujifilm acquired Biogen (Denmark) Manufacturing ApS in August 2019. Together with the existing sites of FUJIFILM Diosynth Biotechnologies in the United States and the United Kingdom, we will further expand production capacity through capital investment and technological development to strengthen profitability through economies of scale. Furthermore, we will make a full-scale entry into the CDMO of advanced gene therapeutics to accelerate business growth.

In the pharmaceutical business, Fujifilm efficiently promotes R&D for antibacterial agents, radiopharmaceuticals, and new drugs in areas where unmet medical needs are high. In the field of drug delivery systems that utilize our proprietary technology, Fujifilm is conducting phase I clinical trials of

liposome preparations *FF-10832* and *FF-10850* (anticancer drugs) in the United States. In addition, Fujifilm Toyama Chemical started operation of its GMP-compliant liposome factory in February 2020. We will establish a system for production of investigational and commercial drugs, and start contracted development and manufacturing services for nucleic acid-encapsulated liposomes.

As for the regenerative medicine business, in the field of cell therapy, Fujifilm Cellular Dynamics, Inc. started operation of i-FACT, a cGMP-compliant production facility for therapeutic iPS cells, in March 2020. While accelerating the development of in-house regenerative medicine products, we will also promote contracted development and manufacturing services. In the field of drug discovery support, we started domestic sales of the *F-hiSIECTM*, human iPSC-derived intestinal epithelial cells in September 2019. In the United States, FUJIFILM Cellular Dynamics, Inc. collaborates with FUJIFILM Irvine Scientific, Inc. in the sales of kits consisting of cells, media, and reagents, and sales of solutions that support establishment of optimal usage of cells, media, and reagents in customers' experimental processes. Fujifilm is promoting collaboration with the pharmaceutical companies and academia to contribute to the efficiency of drug development and the industrialization of regenerative medicine.

In each business in the highly functional materials business field, Fujifilm strives to maintain the current competitive edge by tapping into its distinctive technological capability and achieve timely introduction of highly profitable products that meet market needs, thereby boosting both sales and profit.

In the electronic materials business, we will develop new products and expand our lineup centering on WCM (Wave Control Mosaic) for image sensors and post-process materials. Business growth of resist materials will be accelerated by the development of new materials targeting advanced areas. Increasing use of AI, IoT, and 5G will not only increase the demand for semiconductors but also boost processing capacity and miniaturization required for higher performance. We will respond to these new customer needs. We will continue with capital investments mainly for the purpose of developing and stably supplying materials to support the increase in performance of semiconductors, responding to further expansion of demands.

In the display materials business, Fujifilm is determined to maintain its position in the existing TAC products market for LCD panels, while tapping into thin-film and multilayer-coating technologies to expand the new materials businesses for OLED, in-vehicle displays and so on.

In the industrial product business, Fujifilm will expand sales of high-function products that utilize our proprietary technologies, such as the *EXCLEAR*, sensor films for touch panels. In addition, we are expanding into the solution business through AI-powered image analyzing services such as the *Hibimikke* (Crack Finder), which detects cracks on bridges and tunnels.

[New growth strategy and further improvement in profitability of document business]

In November 2019, Fuji Xerox became a wholly owned subsidiary of the Company with the aim of improving flexibility in strategy and accelerating decision-making. Furthermore, the termination of the Technology Agreement with Xerox Corporation on March 31, 2021 will enable our global expansion under the Fujifilm brand. From April 2021, the company name will be changed to "Fujifilm Business Innovation Corp.", and we will accelerate the expansion of document devices into the global market under a new brand.

In the office products and printers business, Fuji Xerox aims for further increase in its market share in the Asia and Oceania region including Japan and China, centering on the new *ApeosPort/DocuCentre* series of color multifunctional printers with strengthened security functions. Moreover, as a new strategy, we aim for sales growth by accelerating the expansion into the global market mainly by OEM supply of our multifunction printers which are highly evaluated for quality and robustness.

In the production services business, we will maximize synergies with Fujifilm's graphic systems business and expand into the global market, leveraging our wide lineup of printers from offset to digital and strong customer base in the commercial printing field.

In the solutions and services business, we will expand business growth by making full use of the advanced technology and AI technology Fuji Xerox has cultivated to build an environment that enhances the intellectual productivity of workers, while providing new document solutions in a cloud-based secure environment through expanded strategic alliances with various IT service providers including DocuSign, Inc. and Esker SA to improve the efficiency of operating processes for paper document.

The penetration of work-from-home as a countermeasure against COVID-19 infection is likely to change customers' business processes and work styles. We will accelerate the shift to the solutions and services business and make it a new pillar of our business, promoting the digitization of documents and operating processes, which is the key to the reform of work styles for customers. We aim to grow business and improve profitability by providing solutions that transform our customers' work styles and businesses, such as work styles free from the office and digital transformation.

Under the SVP2030, the Company set the six priority areas of “environment”, “health”, “daily life”, “work style”, “supply chains” and “governance”, and is taking initiatives to achieve the goals set in each area from the two aspects of “considering the environment and society in business processes” and “solving social issues through business activities”. In order to steadily carry out these initiatives, in June 2019, the existing CSR Division was reorganized and newly established as the “ESG Division”, an organization directly under the president.

In “environment”, which is one of the six priority areas, we are actively addressing the reduction of CO2 emissions in response to climate change, which is an important issue common to the international community. Specifically, in order to achieve the “reduction of emissions in our own business processes”, in January 2019, we set a target for renewable energy usage rate in addition to energy saving, and joined “RE100”, an international initiative aimed at using renewable energy for 100% of business activities. To “reduce emissions through products, services and technologies”, we have introduced an internal certification system called “Green Value Products” that clarifies the environmental value of products and discloses superior products, aiming to further create environmentally friendly products. By the year ending March 2020, 121 products have been certified. Going forward, we will continue to accelerate our efforts to reduce CO2 emissions, in terms of both reducing our own emissions and contributing to society. In “governance,” the Company positions corporate governance as an important management priority and focuses on its enhancement. Through sincere and fair business activities, we aim to contribute to the sustainable development of society, while aiming for sustainable growth of the Group and improvement of its corporate value.

The Group has expanded and grown businesses centering on priority areas by addressing the medium-term management plan “VISION2019” until the fiscal year ended March 2020. The Group's basic policy for the fiscal year ending March 31, 2021 is “Keep on challenging with All-Fujifilm”. We will promote the development and provision of products and services with new value by accurately grasping market needs in order to create and expand new markets. Taking the solution of social issues as an opportunity for business growth, and to contribute to the development of a sustainable society, we will take on the challenge by “All Fujifilm”, bringing together the power of all companies, organizations, and employees under the umbrella of Fujifilm Holdings.

4. BASIC RATIONALE FOR SELECTION OF ACCOUNTING STANDARDS

Due to the agreement related to the Eurodollar convertible bond issuance in 1970, the Group has prepared and disclosed its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

The Company is considering the adaptation of IFRS through addressing internal and external factors that affect both within and outside of Japan.

5. CONSOLIDATED FINANCIAL STATEMENTS

FUJIFILM Holdings Corporation (4901)

(1) Consolidated Balance Sheets

Amount Unit: Millions of yen

	As of March 31, 2020	As of March 31, 2019	Change
ASSETS			
Current assets:			
Cash and cash equivalents	396,091	654,747	(258,656)
Notes and accounts receivable:			
Trade and finance	524,120	580,423	(56,303)
Lease receivable	55,419	58,857	(3,438)
Affiliated companies	2,640	5,634	(2,994)
Allowance for doubtful receivables	(23,761)	(27,119)	3,358
	558,418	617,795	(59,377)
Inventories	380,911	374,456	6,455
Prepaid expenses and Other	153,783	83,908	69,875
Total current assets	1,489,203	1,730,906	(241,703)
Investments and long-term receivables:			
Investments in and advances to affiliated companies	27,770	33,445	(5,675)
Investment securities	87,209	105,678	(18,469)
Long-term lease receivables	61,724	72,814	(11,090)
Other long-term receivables	30,497	31,509	(1,012)
Allowance for doubtful receivables	(4,067)	(3,754)	(313)
Total investments and long-term receivables	203,133	239,692	(36,559)
Property, plant and equipment:			
Land	96,776	98,211	(1,435)
Buildings	732,716	690,207	42,509
Machinery and equipment	1,478,270	1,447,115	31,155
Construction in progress	47,481	36,420	11,061
	2,355,243	2,271,953	83,290
Less accumulated depreciation	(1,754,696)	(1,745,156)	(9,540)
Total property, plant and equipment	600,547	526,797	73,750
Other assets:			
Operating lease right-of-use assets	75,261	-	75,261
Goodwill, net	687,155	655,508	31,647
Other intangible assets, net	142,071	145,013	(2,942)
Deferred income taxes	37,811	32,762	5,049
Other	86,511	84,014	2,497
Total other assets	1,028,809	917,297	111,512
Total assets	3,321,692	3,414,692	(93,000)

	As of March 31, 2020	As of March 31, 2019	Change
LIABILITIES			
Current liabilities:			
Short-term debt	120,998	170,579	(49,581)
Notes and accounts payable:			
Trade	195,214	210,658	(15,444)
Construction	25,360	25,758	(398)
Affiliated companies	1,724	1,940	(216)
	222,298	238,356	(16,058)
Accrued income taxes	24,893	18,950	5,943
Accrued liabilities	171,989	182,833	(10,844)
Short-term operating lease liabilities	25,696	-	25,696
Other current liabilities	94,133	91,567	2,566
Total current liabilities	660,007	702,285	(42,278)
Long-term liabilities:			
Long-term debt	503,171	353,533	149,638
Accrued pension and severance costs	33,818	40,335	(6,517)
Long-term operating lease liabilities	52,652	-	52,652
Deferred income taxes	21,558	19,959	1,599
Other long-term liabilities	56,729	53,739	2,990
Total long-term liabilities	667,928	467,566	200,362
Total liabilities	1,327,935	1,169,851	158,084
EQUITY			
FUJIFILM Holdings shareholders' equity			
Capital	40,363	40,363	-
Common stock, without par value:			
Authorized: 800,000,000 shares			
Issued: 514,625,728 shares			
Additional paid-in capital	-	24,494	(24,494)
Retained earnings	2,563,091	2,507,719	55,372
Accumulated other comprehensive income (loss)	(164,100)	(100,593)	(63,507)
Treasury stock, at cost			
As of March 31, 2019: 105,340,377 shares			
As of March 31, 2020: 114,914,288 shares	(486,102)	(435,020)	(51,082)
Total FUJIFILM Holdings shareholders' equity	1,953,252	2,036,963	(83,711)
Noncontrolling interests	40,505	207,878	(167,373)
Total equity	1,993,757	2,244,841	(251,084)
Total liabilities and equity	3,321,692	3,414,692	(93,000)

Note: Details of accumulated other comprehensive income (loss)

	As of March 31, 2020	As of March 31, 2019	Change
Unrealized gains (losses) on securities	(11)	(2)	(9)
Foreign currency translation adjustments	(46,201)	2,112	(48,313)
Pension liability adjustments	(117,780)	(102,463)	(15,317)
Unrealized gains (losses) on derivatives	(108)	(240)	132

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

Year ended March 31

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
	%		%			
Revenue:	100.0	2,315,141	100.0	2,431,489	(116,348)	(4.8)
Cost of sales:	58.8	1,360,648	59.0	1,433,973	(73,325)	(5.1)
Gross profit	41.2	954,493	41.0	997,516	(43,023)	(4.3)
Operating expenses:						
Selling, general and administrative	26.3	610,043	26.0	631,557	(21,514)	(3.4)
Research and development	6.8	157,880	6.4	156,132	1,748	1.1
Operating income	33.1	767,923	32.4	787,689	(19,766)	(2.5)
	8.1	186,570	8.6	209,827	(23,257)	(11.1)
Other income (expenses):						
Interest and dividend income		5,183		4,787	396	
Interest expense		(2,316)		(3,314)	998	
Foreign exchange gains (losses), net		(2,133)		(2,919)	786	
Gains (losses) on equity securities, net		(22,084)		(244)	(21,840)	
Other, net		7,851		4,625	3,226	
Income before income taxes	(0.6)	(13,499)	0.2	2,935	(16,434)	-
	7.5	173,071	8.8	212,762	(39,691)	(18.7)
Income taxes						
Current		42,822		43,697	(875)	
Deferred		(6,708)		12,359	(19,067)	
Equity in net earnings (losses) of affiliated companies	1.6	36,114	2.3	56,056	(19,942)	(35.6)
Net income	0.1	1,341	0.0	418	923	220.8
	6.0	138,298	6.5	157,124	(18,826)	(12.0)
Less: Net (income) loss attributable to the noncontrolling interests	(0.6)	(13,311)	(0.8)	(19,018)	5,707	(30.0)
Net income attributable to FUJIFILM Holdings	5.4	124,987	5.7	138,106	(13,119)	(9.5)

Three months ended March 31

Amount Unit: Millions of yen

	Three months ended March 31, 2020 From January 1, 2020 To March 31, 2020		Three months ended March 31, 2019 From January 1, 2019 To March 31, 2019		Change	
					Amount	%
	%		%			
Revenue:	100.0	586,744	100.0	631,673	(44,929)	(7.1)
Cost of sales:	60.6	355,316	61.5	388,597	(33,281)	(8.6)
Gross profit	39.4	231,428	38.5	243,076	(11,648)	(4.8)
Operating expenses:						
Selling, general and administrative	26.6	156,609	24.0	151,269	5,340	3.5
Research and development	6.8	39,884	6.4	40,327	(443)	(1.1)
Operating income	33.4	196,493	30.4	191,596	4,897	2.6
Other income (expenses):	6.0	34,935	8.1	51,480	(16,545)	(32.1)
Interest and dividend income		966		733	233	
Interest expense		(385)		(501)	116	
Foreign exchange gains (losses), net		(553)		(379)	(174)	
Gains (losses) on equity securities, net		(24,074)		5,193	(29,267)	
Other, net		(4,348)		1,671	(6,019)	
Income before income taxes	(4.9)	(28,394)	1.1	6,717	(35,111)	-
Income taxes	1.1	6,541	9.2	58,197	(51,656)	(88.8)
Equity in net earnings (losses) of affiliated companies	0.5	3,073	2.7	17,208	(14,135)	(82.1)
Net income	0.2	1,379	0.3	1,747	(368)	(21.1)
Less: Net (income) loss attributable to the noncontrolling interests	0.8	4,847	6.8	42,736	(37,889)	(88.7)
Net income attributable to FUJIFILM Holdings	(0.1)	(518)	(0.9)	(5,682)	5,164	(90.9)
	0.7	4,329	5.9	37,054	(32,725)	(88.3)

(Consolidated Statements of Comprehensive Income)**Year ended March 31**

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020	Year ended March 31, 2019 From April 1, 2018 To March 31, 2019	Change
Net income	138,298	157,124	(18,826)
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	(9)	(2)	(7)
Foreign currency translation adjustments	(50,279)	6,322	(56,601)
Pension liability adjustments	142	885	(743)
Unrealized gains (losses) on derivatives	137	188	(51)
Other comprehensive income (loss)	(50,009)	7,393	(57,402)
Comprehensive income (loss)	88,289	164,517	(76,228)
Less: Comprehensive (income) loss attributable to noncontrolling interests	(8,800)	(20,245)	11,445
Comprehensive income (loss) attributable to FUJIFILM Holdings	79,489	144,272	(64,783)

Three months ended March 31

Amount Unit: Millions of yen

	Three months ended March 31, 2020 From January 1, 2020 To March 31, 2020	Three months ended March 31, 2019 From January 1, 2019 To March 31, 2019	Change
Net income	4,847	42,736	(37,889)
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	(2)	1	(3)
Foreign currency translation adjustments	(33,470)	4,462	(37,932)
Pension liability adjustments	(3,283)	(2,959)	(324)
Unrealized gains (losses) on derivatives	(155)	77	(232)
Other comprehensive income (loss)	(36,910)	1,581	(38,491)
Comprehensive income (loss)	(32,063)	44,317	(76,380)
Less: Comprehensive (income) loss attributable to noncontrolling interests	30	(6,910)	6,940
Comprehensive income (loss) attributable to FUJIFILM Holdings	(32,033)	37,407	(69,440)

(3) Consolidated Statements of Changes in Shareholders' Equity

Amount Unit: Millions of yen

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	FUJIFILM Holdings shareholders' equity	Noncontrolling interest	Total Equity
Balanced at April 1, 2018	40,363	79,153	2,383,793	(87,783)	(336,392)	2,079,134	219,572	2,298,706
Cumulative effect of application of Accounting Standards Update 2016-01			18,976	(18,976)				
Cumulative effect of application of Accounting Standards Update 2016-16			296			296	99	395
Comprehensive income (loss):								
Net income			138,106			138,106	19,018	157,124
Change in net unrealized losses on securities				(2)		(2)		(2)
Foreign currency translation adjustments				5,898		5,898	424	6,322
Pension liability adjustments				61		61	824	885
Change in net unrealized gains (losses) on derivatives				209		209	(21)	188
Net comprehensive income						144,272	20,245	164,517
Purchases of stock for treasury					(100,018)	(100,018)		(100,018)
Sales of stock from treasury		(212)	(49)		1,390	1,129		1,129
Dividends paid to FUJIFILM Holdings shareholders			(33,403)			(33,403)		(33,403)
Dividends paid to noncontrolling interests							(7,752)	(7,752)
Stock acquisition rights		(70)				(70)		(70)
Equity transactions with non controlling interests and other		(54,377)				(54,377)	(24,286)	(78,663)
Balanced at March 31, 2019	40,363	24,494	2,507,719	(100,593)	(435,020)	2,036,963	207,878	2,244,841
Comprehensive income (loss):								
Net income			124,987			124,987	13,311	138,298
Change in net unrealized losses on securities				(9)		(9)		(9)
Foreign currency translation adjustments				(45,489)		(45,489)	(4,790)	(50,279)
Pension liability adjustments				(122)		(122)	264	142
Change in net unrealized gains on derivatives				122		122	15	137
Net comprehensive income						79,489	8,800	88,289
Purchases of stock for treasury					(51,624)	(51,624)		(51,624)
Sales of stock from treasury			(113)		542	429		429
Dividends paid to FUJIFILM Holdings shareholders			(38,432)			(38,432)		(38,432)
Dividends paid to noncontrolling interests							(9,813)	(9,813)
Stock acquisition rights		452				452		452
Transfer from retained earnings to additional paid-in capital		31,070	(31,070)					-
Equity transactions with non controlling interests and other		(56,016)		(18,009)		(74,025)	(166,360)	(240,385)
Balanced at March 31, 2020	40,363	0	2,563,091	(164,100)	(486,102)	1,953,252	40,505	1,993,757

(4) Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020	Year ended March 31, 2019 From April 1, 2018 To March 31, 2019	Change
Operating activities			
Net income	138,298	157,124	(18,826)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	122,653	129,932	(7,279)
(Gains) losses on equity securities	22,085	244	21,841
Deferred income taxes	(6,708)	12,359	(19,067)
Equity in net (gains) losses of affiliated companies, net of dividends received	(13)	4,719	(4,732)
Changes in operating assets and liabilities:			
Notes and accounts receivable	53,277	4,885	48,392
Inventories	(11,505)	(12,287)	782
Notes and accounts payable - trade	(10,558)	(12,469)	1,911
Accrued income taxes and other liabilities	(16,055)	(80,408)	64,353
Other	(35,807)	45,244	(81,051)
Subtotal	117,369	92,219	25,150
Net cash provided by operating activities	255,667	249,343	6,324
Investing activities			
Purchases of property, plant and equipment	(84,677)	(68,549)	(16,128)
Purchases of software	(25,047)	(20,471)	(4,576)
Proceeds from sales and maturities of marketable and investment securities	151	2,545	(2,394)
Purchases of marketable and investment securities	(3,230)	(23,349)	20,119
(Increase) decrease in time deposits, net	(10)	(3,630)	3,620
Increase in investments in and advances to affiliated companies	(1,501)	(10,456)	8,955
Acquisitions of businesses, net of cash acquired	(121,789)	(84,310)	(37,479)
Other	(8,747)	(365)	(8,382)
Net cash used in investing activities	(244,850)	(208,585)	(36,265)
Financing activities			
Proceeds from long-term debt	200,669	100,035	100,634
Repayments of long-term debt	(163,541)	(25,947)	(137,594)
Increase (decrease) in short-term debt, net	390	(8,123)	8,513
Proceeds from short-term debt with maturities longer than three months	150,000	-	150,000
Payments of short-term debt with maturities longer than three months	(100,000)	-	(100,000)
Cash dividends paid to shareholders	(35,817)	(33,166)	(2,651)
Subsidiaries' cash dividends paid to noncontrolling interests	(9,813)	(7,752)	(2,061)
Net purchases of stock for treasury	(51,624)	(100,018)	48,394
Capital transactions with noncontrolling interests and other	(241,207)	(78,551)	(162,656)
Net cash used in financing activities	(250,943)	(153,522)	(97,421)
Effect of exchange rate changes on cash and cash equivalents	(18,530)	(735)	(17,795)
Net decrease in cash and cash equivalents	(258,656)	(113,499)	(145,157)
Cash and cash equivalents at beginning of year	654,747	768,246	(113,499)
Cash and cash equivalents at end of year	396,091	654,747	(258,656)

(5) Notes to Consolidated Financial Statements**Note Relating to the Going Concern Assumption**

N/A

Summary of Significant Accounting Policies**(A) Scope of consolidated subsidiaries**

Number of Subsidiaries : 317

Main companies : FUJIFILM Corporation, Fuji Xerox Co., Ltd., FUJIFILM Toyama Chemical Co., Ltd.
FUJIFILM Wako Pure Chemical Corporation and others**(B) Scope of affiliated companies**

Number of Affiliates : 29

Main companies : FUJIFILM KYOWA KIRIN BIOLOGICS Co., Ltd., and others

(C) Significant Accounting Policies

In February 2016, U.S. Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02 "Lease". The standard document 842 prescribed by this standard replaces the standard document 840. This standard stipulates that the lessee of the lease should recognize lease liabilities and the right-of-use assets on the balance sheet. In addition, the standard requires qualitative and quantitative disclosures about leases. This standard is effective from the consolidated fiscal year (including the interim period) beginning after December 15, 2018, with early adoption permitted. We have applied this standard from the consolidated fiscal year that began on April 1, 2019. In applying this standard, we adopted the method of recognizing the cumulative effect of applying this standard at the commencement date, which is permitted as a transitional measure. As a result, the figures in the previous consolidated fiscal year, as comparative information, is reported based on the standard 840 and not restated.

We apply the following practical expedients: for contracts that already expired or exist on the date of standard application, it is not reevaluated whether they fall under leases, classification of the leases, or their initial direct costs, and for leasehold that already expired or exists on the date of standard application, it is not reevaluated whether the portion of the leasehold that has not been accounted for falls under a lease.

Segment Information

1. Year ended March 31

(A) Operating Segment Information

a. Revenue

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
	%		%		Amount	%
Revenue:						
Imaging Solutions:						
External customers	14.4	332,603	15.9	386,914	(54,311)	(14.0)
Intersegment		2,202		2,160	42	-
Total		334,805		389,074	(54,269)	(13.9)
Healthcare & Material Solutions:						
External customers	44.2	1,024,209	42.7	1,038,966	(14,757)	(1.4)
Intersegment		1,891		1,559	332	-
Total		1,026,100		1,040,525	(14,425)	(1.4)
Document Solutions:						
External customers	41.4	958,329	41.4	1,005,609	(47,280)	(4.7)
Intersegment		11,679		9,177	2,502	-
Total		970,008		1,014,786	(44,778)	(4.4)
Eliminations		(15,772)		(12,896)	(2,876)	-
Consolidated total	100.0	2,315,141	100.0	2,431,489	(116,348)	(4.8)

b. Operating income

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
	%		%		Amount	%
Operating Income:						
Imaging Solutions	7.5	25,076	13.1	51,128	(26,052)	(51.0)
Healthcare & Material Solutions	9.0	92,402	9.4	97,579	(5,177)	(5.3)
Document Solutions	10.8	105,045	9.5	96,366	8,679	9.0
Total		222,523		245,073	(22,550)	(9.2)
Corporate expenses and eliminations		(35,953)		(35,246)	(707)	-
Consolidated total	8.1	186,570	8.6	209,827	(23,257)	(11.1)

Notes

1: The major products and services of each operating segment are as follows:

- Imaging Solutions: Color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems and optical devices
- Healthcare & Material Solutions: Equipment and materials for medical systems, cosmetics and supplements, pharmaceuticals, contract development and manufacturing organization of biopharmaceuticals, regenerative medicine, fine chemicals, equipment and materials for graphic arts, inks and industrial inkjet printheads, display materials, recording media, electronic materials
- Document Solutions: Digital MFPs, publishing systems, document management software and related solutions and services

Total Assets

Amount Unit: Millions of yen

	As of March 31, 2020	As of March 31, 2019	Change	
			Amount	%
Total assets:				
Imaging Solutions	294,243	325,337	(31,094)	(9.6)
Healthcare & Material Solutions	1,775,913	1,709,713	66,200	3.9
Document Solutions	991,861	1,014,304	(22,443)	(2.2)
Subtotal	3,062,017	3,049,354	12,663	0.4
Eliminations	(4,090)	(4,161)	71	-
Corporate assets	263,765	369,499	(105,734)	(28.6)
Consolidated total	3,321,692	3,414,692	(93,000)	(2.7)

Depreciation and amortization, and Capital expenditures

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020	Year ended March 31, 2019 From April 1, 2018 To March 31, 2019	Change	
			Amount	%
Depreciation and amortization:				
Imaging Solutions	14,592	14,060	532	3.8
Healthcare & Material Solutions	63,881	63,093	788	1.2
Document Solutions	41,750	50,137	(8,387)	(16.7)
Corporate	2,430	2,642	(212)	(8.0)
Consolidated total	122,653	129,932	(7,279)	(5.6)
Capital expenditures:				
Imaging Solutions	12,496	10,579	1,917	18.1
Healthcare & Material Solutions	58,223	50,523	7,700	15.2
Document Solutions	13,406	11,672	1,734	14.9
Corporate	1,567	2,598	(1,031)	(39.7)
Consolidated total	85,692	75,372	10,320	13.7

(B) Geographic Information**a. Revenue**

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
Revenue:	%		%			
Japan:						
External customers	49.4	1,145,473	48.7	1,184,554	(39,081)	(3.3)
Intersegment		414,910		474,123	(59,213)	-
Total		1,560,383		1,658,677	(98,294)	(5.9)
The Americas:						
External customers	18.3	423,230	18.7	455,592	(32,362)	(7.1)
Intersegment		52,533		54,258	(1,725)	-
Total		475,763		509,850	(34,087)	(6.7)
Europe:						
External customers	10.7	247,153	10.1	244,880	2,273	0.9
Intersegment		16,101		18,579	(2,478)	-
Total		263,254		263,459	(205)	(0.1)
Asia and others:						
External customers	21.6	499,285	22.5	546,463	(47,178)	(8.6)
Intersegment		231,229		280,016	(48,787)	-
Total		730,514		826,479	(95,965)	(11.6)
Eliminations		(714,773)		(826,976)	112,203	-
Consolidated total	100.0	2,315,141	100.0	2,431,489	(116,348)	(4.8)

b. Operating income

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
Operating Income (Loss):	%		%			
Japan	7.0	109,112	6.4	106,780	2,332	2.2
The Americas	2.9	14,006	4.5	22,904	(8,898)	(38.8)
Europe	1.2	3,180	3.5	9,135	(5,955)	(65.2)
Asia and others	8.3	60,772	8.9	73,786	(13,014)	(17.6)
Eliminations		(500)		(2,778)	2,278	-
Consolidated total	8.1	186,570	8.6	209,827	(23,257)	(11.1)

c. Long - lived assets

Amount Unit: Millions of yen

	As of March 31, 2020	As of March 31, 2019	Change	
			Amount	%
Long - lived assets				
Japan	375,783	373,513	2,270	0.6
The Americas	73,922	67,318	6,604	9.8
Europe	103,964	34,772	69,192	199.0
Asia and others	46,878	51,194	(4,316)	(8.4)
Consolidated total	600,547	526,797	73,750	14.0

d. Overseas revenue (Destination Base)

Amount Unit: Millions of yen

	Year ended March 31, 2020 From April 1, 2019 To March 31, 2020		Year ended March 31, 2019 From April 1, 2018 To March 31, 2019		Change	
					Amount	%
Revenue:	%		%			
Domestic	43.4	1,004,076	41.4	1,006,536	(2,460)	(0.2)
Overseas:						
The Americas	18.3	424,257	19.1	463,394	(39,137)	(8.4)
Europe	12.8	296,623	13.0	315,667	(19,044)	(6.0)
Asia and others	25.5	590,185	26.5	645,892	(55,707)	(8.6)
Subtotal	56.6	1,311,065	58.6	1,424,953	(113,888)	(8.0)
Consolidated total	100.0	2,315,141	100.0	2,431,489	(116,348)	(4.8)

Note: The presentation of the overseas revenue (Destination Base) has been classified and disclosed based on the customer's location.

2. Three months ended March 31

(A) Operating Segment Information

Revenue

Amount Unit: Millions of yen

	Three months ended March 31, 2020 From January 1, 2020 To March 31, 2020		Three months ended March 31, 2019 From January 1, 2019 To March 31, 2019		Change	
	%		%		Amount	%
Revenue:						
Imaging Solutions:						
External customers	11.3	66,439	13.2	83,081	(16,642)	(20.0)
Intersegment		464		537	(73)	-
Total		66,903		83,618	(16,715)	(20.0)
Healthcare & Material Solutions:						
External customers	48.3	283,039	44.3	280,112	2,927	1.0
Intersegment		546		441	105	-
Total		283,585		280,553	3,032	1.1
Document Solutions:						
External customers	40.4	237,266	42.5	268,480	(31,214)	(11.6)
Intersegment		1,902		2,905	(1,003)	-
Total		239,168		271,385	(32,217)	(11.9)
Eliminations		(2,912)		(3,883)	971	-
Consolidated total	100.0	586,744	100.0	631,673	(44,929)	(7.1)

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

Imaging Solutions	Color films, digital cameras, color paper, services and equipment for photofinishing, instant photo systems and optical devices
Healthcare & Material Solutions	Equipment and materials for medical systems, cosmetics and supplements, pharmaceuticals, contract development and manufacturing organization of biopharmaceuticals, regenerative medicine, fine chemicals, equipment and materials for graphic arts, inks and industrial inkjet printheads, display materials, recording media, electronic materials
Document Solutions	Digital MFPs, publishing systems, document management software and related solutions and services

(B) Geographic Information

Overseas Revenue (Destination Base)

Amount Unit: Millions of yen

	Three months ended March 31, 2020 From January 1, 2020 To March 31, 2020		Three months ended March 31, 2019 From January 1, 2019 To March 31, 2019		Change	
	%		%		Amount	%
Revenue:						
Domestic	46.6	273,615	44.6	281,876	(8,261)	(2.9)
Overseas:						
The Americas	17.3	101,356	17.4	109,695	(8,339)	(7.6)
Europe	12.0	70,702	12.4	78,513	(7,811)	(9.9)
Asia and others	24.1	141,071	25.6	161,589	(20,518)	(12.7)
Subtotal	53.4	313,129	55.4	349,797	(36,668)	(10.5)
Consolidated total	100.0	586,744	100.0	631,673	(44,929)	(7.1)

Amounts Per Share of Common Stock

	Year ended March 31, 2020	Year ended March 31, 2019
	Yen	Yen
FUJIFILM Holdings shareholders' equity per share	4,886.66	4,976.88
Net income attributable to FUJIFILM Holdings per share	306.18	326.81
Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)	305.22	325.82

Subsequent Event

N/A