

# Financial Results (Consolidated) for the Fiscal Year Ended March 31, 2024 **FUJIFILM Holdings Corporation**



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

Teiichi Goto President and Chief Executive Officer

Date of annual shareholders' meeting: June 27, 2024

Projected date of annual securities report: June 28, 2024

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.)

#### 1. Results of the Fiscal Year Ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(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

Projected date of the beginning of cash dividends: June 28, 2024

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings	
		%		%		%		%
Year ended March 31, 2024	2,960,916	3.6	276,725	1.3	317,288	12.4	243,509	11.0
Year ended March 31, 2023	2,859,041	13.2	273,079	18.9	282,224	8.4	219,422	3.9

Note: Comprehensive income

Year ended March 31, 2024

¥519,192 million (67.5%) Year ended March 31, 2023

¥310,050 million (-10.7%)

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)	Holdings shareholders'	Ratio of income before income taxes to total assets	Ratio of operating income to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2024	202.29	202.05	8.2	7.1	9.3
Year ended March 31, 2023	182.40	182.14	8.3	7.0	9.6

(Ref) Equity in net earnings of affiliated companies

Year ended March 31, 2024 ¥ 4,111 million

Year ended March 31, 2023 ¥ 4,656 million

Note: The Company implemented a 3-for-1 stock split of its common stock on April 1, 2024. The net income attributable to FUJIFILM Holdings per share and net income attributable to FUJIFILM Holdigns per share (Assuming full dilution) are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (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, 2024	4,783,460	3,173,315	3,169,247	66.3	2,632.12
Year ended March 31, 2023	4,134,311	2,787,860	2,763,145	66.8	2,296.32

Note: The Company implemented a 3-for-1 stock split of its common stock on April 1, 2024. The FUJIFILM Holdings shareholders' equity per share is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (3) CASH FLOWS

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

	Net cash provided by	Net cash used in	Net cash used in	Cash and cash equivalents
	operating activities	investing activities	financing activities	at the end of year
Year ended March 31, 2024	407,941	(527,416)	(462)	179,715
Year ended March 31, 2023	210,452	(323,225)	(123,695)	268,608

#### 2. Cash Dividends

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

		Cash dividends per share					Consolidated	Ratio of cash dividends to
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total	dividends	pay out ratio	shareholders' equity
	Yen	Yen	Yen	Yen	Yen		%	%
Year ended March 31, 2023	-	60.00	-	70.00	130.00	52,142	23.8	2.0
Year ended March 31, 2024	-	70.00	-	80.00	150.00	60,202	24.7	2.0
Year ending March 31, 2025 (Forecast)	-	30.00	-	30.00	60.00		30.1	

Notes: Details of year-end diviends for the fiscal year ended March 31, 2024

Ordinary dividend ¥ 70.00 90th anniversary commemorative dividend ¥ 10.00

The Company implemented a 3-for-1 stock split of its common stock on April 1, 2024. The actual dividend amount before the stock split is stated for the year ended March 31, 2023 and the year ended March 31, 2024. The forecast for the year ending March 31, 2025 is stated based on the number of shares after the stock split.

#### 3. Forecast for the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

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

	Reven	ue	Operating	gincome	Income income		Net income a to FUJIFILM		Net income attributable to FUJIFILM Holdings per share
		%		%		%		%	Yen
For the Year ending March 31, 2025	3,100,000	4.7	300,000	8.4	310,000	(2.3)	240,000	(1.4)	199.32

Note: The Company implemented a 3-for-1 stock split of its common stock on April 1, 2024. The average number of shares during the period, which is the basis for the calculation of net income attributable to FUJIFILM Holdings per share in the forecast for the fiscal year ending March 31, 2025, is calculated with the number of shares outstanding (excluding treasury stock) as of March 31, 2024, based on the number of shares after the stock split.

#### 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, 2024	1,243,877,184	As of March 31, 2023	1,243,877,184
As of March 31, 2024	39,809,292	As of March 31, 2023	40,584,543
Year ended March 31, 2024	1,202,873,496	Year ended March 31, 2023	1,202,314,263

Note: The Company implemented a 3-for-1 stock split of its common stock on April 1, 2024. The issued (including treasury stock), treasury stock and average number of shares are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year

#### This report is not reviewed.

#### Explanation of Appropriate Use of Forecast and Other Special Items

Statements regarding future events including forecasts of operating results are based on limited available information and reasonable assumptions as of today. The Company does not have the intention of guaranteeing the realization of future performance. Actual operating results are always subject to change significantly due to various matters. Assumptions for the forecast and warnings for users of the forecast are mentioned in the page 6, Outlook for the Fiscal Year ending March 31, 2025 of the section (1) Analysis of Results of Operations in 1. ANALYSIS OF OPERATING RESULTS AND CONSOLIDATED FINANCIAL POSITION.

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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, 2024 (From April 1, 2023 to March 31,		Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)		Change (Amount)	Change (%)
	20	)24)	20	(23)		
Domestic revenue	35.4%	1,049.5	35.9%	1,026.3	23.2	2.3%
Overseas revenue	64.6%	1,911.4	64.1%	1,832.7	78.7	4.3%
Revenue	100.0%	2,960.9	100.0%	2,859.0	101.9	3.6%
Operating income	9.3%	276.7	9.6%	273.1	3.6	1.3%
Income before income taxes	10.7%	317.3	9.9%	282.2	35.1	12.4%
Net income attributable to FUJIFILM						
Holdings	8.2%	243.5	7.7%	219.4	24.1	11.0%
Exchange rates (Yen / US\$)		¥145		¥136	¥	)
Exchange rates (Yen / Euro)		¥157		¥141	¥10	5

In the fiscal year ended March 31, 2024, the Fujifilm Group recorded \(\frac{4}{2}\),960.9 billion in consolidated revenue (up 3.6% year-over-year), reflecting sales increases mainly in the medical systems of the Healthcare segment and the Imaging segment. Operating income increased to \(\frac{4}{2}\)76.7 billion (up 1.3% year-over-year). Consolidated income before income taxes amounted to \(\frac{4}{3}\)17.3 billion (up 12.4% year-over-year), reflecting such factors as an increase in valuation gains on marketable and investment securities, and consolidated net income attributable to FUJIFILM Holdings amounted to \(\frac{4}{2}\)43.5 billion (up 11.0% year-over-year). The effective currency exchange rates for the U.S. dollar and the euro against the yen were \(\frac{4}{1}\)45 and \(\frac{4}{1}\)57, respectively, for the year ended March 31, 2024.

Revenue by Operating Segment

J 1 8 8	Year ended March 31,	Year ended March 31,		
Segment	2024 (From April 1,	2023 (From April 1,	Change	Change (%)
Segment	2023 to March 31,	2022 to March 31,	(Amount)	Change (70)
	2024)	2023)		
Healthcare	975.1	928.8	46.3	5.0%
Materials	690.0	681.8	8.2	1.2%
Business Innovation	826.1	838.1	(12.0)	(1.4%)
Imaging	469.7	410.3	59.4	14.5%
Consolidated Total	2,960.9	2,859.0	101.9	3.6%

Operating Income by Operating Segment

Segment	Year ended March 31, 2024 (From April 1, 2023 to March 31,	Year ended March 31, 2023 (From April 1, 2022 to March 31,	Change (Amount)	Change (%)
	2024)	2023)		
Healthcare	97.4	102.8	(5.4)	(5.2%)
Materials	42.9	65.4	(22.5)	(34.5%)
Business Innovation	70.8	69.5	1.3	1.8%
Imaging	101.9	72.9	29.0	39.9%
Corporate Expenses and Eliminations	(36.3)	(37.5)	1.2	
Consolidated Total	276.7	273.1	3.6	1.3%

<sup>\*</sup>The non-destructive inspection equipment / materials, which had been included in the industrial products business, has been changed from the Materials segment to the Healthcare segment. Figures for the previous fiscal year are also based on the segment classification after the above change.

#### **Healthcare Segment**

In the Healthcare segment, consolidated revenue amounted to ¥975.1 billion (up 5.0% year-over-year).

Consolidated operating income amounted to ¥97.4 billion (down 5.2% year-over-year).

In the medical systems business, revenue increased mainly due to steady sales of endoscopes and CT/MRI systems. In the X-ray imaging diagnostics field, in addition to growing sales of the digital mammography system *Amulet Innovality*, mainly in South/Central America and the U.S., the expansion of the maintenance service business mainly in Japan and Europe drove revenue higher. In the medical IT field, revenue increased due to strong sales of systems and services, in particular the Picture Archiving and Communication System (PACS) *SYNAPSE* and the 3D image analysis system *SYNAPSE VINCENT*, mainly in major markets such as Japan, the U.S. and Europe. In the ultrasound diagnostics field, despite sluggish sales in China, revenue remained at the previous year's level due to strong sales of the new *DeepInsight series* of stationary ultrasound diagnostic systems mainly in Japan. In the endoscopes field, sales of products such as the *7000 System*, which installs image emphasis features including LCI (Linked Color Imaging) that support endoscope observations by emphasizing slight differences in color of mucous membrane, rose significantly mainly in Japan, the U.S., Europe and China. In the In-Vitro Diagnostics (IVD) field, revenue rose as higher sales of *FUJI DRI-CHEM* (blood biochemical test) equipment and slides more than offset the lower demand for COVID-19-related reagents. In the CT/MRI field, revenue increased due to higher sales in South/Central America, the Middle East and India.

In the bio CDMO business, revenue increased mainly due to productivity improvements at the Denmark site as well as favorable progress in contract manufacturing of antibody drugs. In March 2024, we signed a long-term agreement with Janssen Supply Group, LLC, a Johnson & Johnson company, for contract manufacturing of biopharmaceuticals at a large-scale facility under construction at the North Carolina site in the U.S. (scheduled to be operational in 2025). In the high-growth biopharmaceutical market, we will further accelerate business growth by meeting diverse customer needs ranging from small-scale to large-scale production and from active pharmaceutical ingredients to contract formulation and packaging, in addition to offering contract development of production processes.

In the life sciences business, sales of cell culture media for antibody drug production recovered and sales of iPS cells for use in drug discovery support also fared well. Another factor behind higher revenue was one-time revenue from granting a license to BlueRock Therapeutics LP, a subsidiary of leading pharmaceutical company Bayer AG, to develop and commercialize iPS cell-based therapies for retinal diseases.

In the pharmaceutical business, revenue rose thanks to contributions from an upturn in demand for antibacterial agents after the COVID-19 pandemic and contract manufacturing of COVID-19 vaccine candidates in Japan.

In the consumer healthcare business, overall revenue declined, hit by lower sales of existing cosmetic products and mainstay supplements, although sales of new cosmetic products increased.

In the CRO (Contract Research Organization) business, after making a full-scale entry into the drug discovery CRO business in April 2023, we began to provide services such as searching for new drug seeds and evaluating efficacy and safety by utilizing our distinctive iPS cell and AI technologies. We will continue to provide strong support for drug discovery research to pharmaceutical companies and other customers.

## **Materials Segment**

In the Materials segment, consolidated revenue amounted to ¥690.0 billion (up 1.2% year-over-year).

Operating income amounted to ¥42.9 billion (down 34.5% year-over-year).

In the electronic materials business, despite the stagnant semiconductor market conditions, revenue climbed due to contributions from the semiconductor process chemicals business acquired from Entegris, Inc. of the U.S. in October 2023. We will further expand the new business by strengthening our ability to meet customer needs based on a broader product lineup. In anticipation of future semiconductor market growth, we announced the expansion of production capacity at our semiconductor materials manufacturing site in Europe in April 2023 and the construction of a new factory for cutting-edge semiconductor materials in Taiwan in May 2023. In addition, in January 2024, we started full operation of the CMP slurry production facility at the Kumamoto site and announced the installation of a production facility for color filter materials used in image sensors at the same site. We will continue to make aggressive capital investments to ensure stable production of high-quality materials and build a

robust global supply structure.

In the display materials business, revenue increased compared to the previous year when the entire supply chain was in a production adjustment phase.

In the industrial products business, revenue declined mainly due to sluggish demand for data archiving tapes, as major IT companies cut back on investment in data center construction, and lower sales of *EXCLEAR* sensor film for touch panels, which were affected by weak demand for business PCs.

In the fine chemicals business, revenue was driven down by lower sales of chemical products resulting mainly from sluggish demand for polymerization materials in Europe.

In the graphic communications business, revenue in the printing plates field decreased due to weak demand for printed materials mainly in Europe and the U.S. In the digital printing field, revenue increased due to growing sales in Europe and the U.S. of production printers launched in the U.S., U.K., France and Canada in April 2023. In the inkjet field, revenue decreased due to slower sales of inkjet printheads for the ceramic market, affected by stagnant real estate market conditions in China and sluggish demand in Europe stemming from monetary tightening.

#### **Business Innovation Segment**

In the Business Innovation segment, consolidated revenue amounted to \(\frac{1}{2}826.1\) billion (down 1.4% year-over-year). Consolidated operating income amounted to \(\frac{1}{2}70.8\) billion (up 1.8% year-over-year).

In the office solutions business, revenue decreased, mainly hit by lower exports to Europe and the U.S., despite expansion of OEM supply, the effect of worldwide sales price revisions and other favorable factors.

In the business solutions business, revenue rose mainly due to an increase in sales of digital transformation (DX)-related solutions. In February 2024, FUJIFILM Business Innovation Corp. and Serverworks Co., Ltd. agreed to establish a joint venture, FUJIFILM Cloud Corp., to provide implementation support and operation and maintenance of cloud services. Operations began in April. Combining FUJIFILM Business Innovation's nationwide sales network and track record in IT infrastructure management with Serverworks' knowledge and advanced technological strength in the cloud business, including IaaS\*, FUJIFILM Cloud will provide a one-stop service ranging from implementation support to operation and maintenance of cloud services.

\* Infrastructure as a Service. It refers to servers, CPUs, and storage, such as Microsoft Azure and AWS (Amazon Web Services).

#### **Imaging Segment**

In the Imaging segment, consolidated revenue amounted to ¥469.7 billion (up 14.5% year-over-year).

Consolidated operating income amounted to \\$101.9 billion (up 39.9\% year-over-year).

In the consumer imaging business, steady sales of the *INSTAX* instant photo systems drove revenue higher. In addition to the existing product lineup, sales of high value-added products, mainly *INSTAX* mini Evo and *INSTAX* Pal, a palm-sized camera launched in October 2023, fared well.

In the professional imaging business, revenue increased as sales of digital cameras remained strong. In March 2024, we launched the *FUJIFILM X100VI*, the latest model in the *X100 series* of high-end compact digital cameras. It is equipped with a 40.2-megapixel sensor, the latest processor and the first in-body image stabilization feature for even higher image quality and performance.

Amount Unit: Billions of yen

	Outlook for the Fiscal Year ending March 31, 2025	Actual results for the Fiscal Year ended March 31, 2024	Change (% / Amount)
Revenue	3,100.0	2,960.9	4.7%
Operating income	300.0	276.7	8.4%
Income before income taxes	310.0	317.3	(2.3%)
Net income attributable to FUJIFILM Holdings	240.0	243.5	(1.4%)
ROE (%)	7.8	8.2	(0.4pt)
ROIC (%)	5.4	5.6	(0.2pt)
Exchange rates (Yen / US\$) Exchange rates (Yen / Euro)	¥140 ¥150	¥145 ¥157	(¥5) (¥7)

For the fiscal year ending March 31, 2025, we forecast consolidated revenue of \(\pm\)3,100.0 billion (up 4.7% year-over-year), operating income of \(\pm\)300.0 billion (up 8.4% year-over-year), income before income taxes of \(\pm\)310.0 billion (down 2.3% year-over-year) and net income attributable to FUJIFILM Holdings of \(\pm\)240.0 billion (down 1.4% year-over-year), based on such factors as business growth, particularly in the Healthcare and Electronics segments, and profitability improvement in all businesses.

The projected currency exchange rates for the U.S. dollar and the euro against the yen for the fiscal year ending March 31, 2025 are \forall 140 and \forall 150, respectively.

#### (2) Analysis of Consolidated Financial Position

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

At the end of the fiscal year ended March 31, 2024, total assets increased by \(\frac{\pmathcal{4}}{649.2}\) billion to \(\frac{\pmathcal{4}}{4,783.5}\) billion compared with the end of the previous fiscal year (March 31, 2023) mainly due to an increase in property, plant and equipment. Total liabilities increased by \(\frac{\pmathcal{2}}{263.8}\) billion to \(\frac{\pmathcal{4}}{1,610.2}\) billion. Shareholders' equity increased by \(\frac{\pmathcal{4}}{406.1}\) billion to \(\frac{\pmathcal{4}}{3,169.2}\) billion. As a result, compared with the end of the previous fiscal year, the current ratio decreased by 48.1 percentage points to 135.1%, the debt-equity ratio increased by 2.1 percentage points to 50.8% and the equity ratio decreased by 0.5 percentage points to 66.3%. The Company maintains a stable level of asset liquidity and a sound capital structure.

In the fiscal year ended March 31, 2024, net cash provided by operating activities totaled \(\frac{4}407.9\) billion, mainly due to a decrease in inventories. Net cash used in investing activities amounted to \(\frac{4}527.4\) billion due to the acquisition of property, plants, equipment and other factors. As a result, free cash flow, or the sum of cash flow from operating and investing activities, was negative \(\frac{4}{119.5}\) billion. Net cash used in financing activities amounted to \(\frac{4}{0.5}\) billion, mainly due to cash dividends paid and others. As a result, cash and cash equivalents at the end of the fiscal year ended March 31, 2024 amounted to \(\frac{4}{179.7}\) billion, down \(\frac{4}{88.9}\) billion from the end of the previous fiscal year (March 31, 2023).

#### (Reference) Cash Flow Related Indices (Consolidated)

	Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)
Ratio of shareholders' equity to total assets (%)	66.3	66.8
Ratio of market capitalization to total assets (%)	84.8	65.0
Ratio of interest-bearing debt to operating cash flow (years)	1.2	1.8
Interest coverage ratio (times)	48.1	42.0

Ratio of shareholders' equity to total assets : Shareholders' equity / Total assets

: Market capitalization (Year-end closing price x No. of shares outstanding at year-

Ratio of market capitalization to total assets end\*) / Total assets

\*Excluding treasury shares

Ratio of interest-bearing debt to operating cash : Interest-bearing debts (corporate bond securities and short- and long-term debts) /

flow Operating cash flow

Interest coverage ratio : Operating cash flow / 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, dividends will be determined by taking into account such factors as the level of funds required to increase our corporate value in the future, including M&As, capital expenditures and R&D investments aimed at further expanding growth businesses. Adequate buybacks will be undertaken considering the situation of cash flows and stock prices. We have the policy on shareholder returns that puts emphasis on cash dividends, targeting the dividend payout ratio of 30%.

We plan to pay a year-end cash dividend of \(\frac{\text{\$\text{\$\text{\$\text{\$4}}}}}{80.0}\) per share. Combined with an interim cash dividend of \(\frac{\text{\$\

In the fiscal year ending March 31, 2025, we plan to pay an interim dividend of \(\frac{\pma}{3}\) 20.0 per share and a year-end dividend of \(\frac{\pma}{3}\) 30.0 per share, for a total of \(\frac{\pma}{6}\) 60 per share for the year.

#### 2. CORPORATE STRUCTURE OF THE FUJIFILM GROUP

The disclosure is omitted since there are no significant changes in the business and group organizational structure from the latest Annual Securities Report filed on June 30, 2023.

#### 3. CORPORATE DIRECTION

On the occasion of our 90th anniversary on January 20, 2024, we established the Fujifilm Group's Purpose "Giving our world more smiles." Since our foundation, we have brought smiles to people's faces through our products and services based on our advanced and proprietary technologies. As we approach our 100th anniversary and beyond, we remain committed to resolving social issues through all of our businesses, and each and every one of our employees will continue to challenge themselves with their aspirations to bring happy smiles to people around the world many times over.

In August 2017, we established our long-term CSR plan Sustainable Value Plan 2030 (hereinafter "SVP2030"). Our medium-term management plan is positioned as a specific action plan of SVP2030, and under VISION2023, our medium-term management plan announced in April 2021, we have resolved social issues by creating new value through

our business activities. We achieved revenue and operating income targets set in VISION2023 one year ahead of schedule, and in FY2023, we updated our record revenue, operating income, net income before income taxes and net income attributable to FUJIFILM Holdings. By strengthening our business portfolio management and cash flow management, we have worked to secure growth investment capital, invest our management resources intensively in Growth Driver and New / Future Potential businesses, and accelerate and strengthen the circulation of resources within the portfolio. These efforts have enabled us to address issues in Environment, Health, Daily Life and Work Style through business activities, accelerate growth in the Healthcare and Advanced Materials, and build a business platform to facilitate sustainable growth.

On April 17, 2024, we announced our new medium-term management plan VISION2030. In VISION2030, we will further enhance the Fujifilm Group's corporate value with a focus on profitability and capital efficiency, and we will build a more resilient business platform as a group of global top-tier businesses by changing the world one step at a time and creating value (more smiles) for various stakeholders.

In FY2024, a recovery in global employment conditions and effective wage increases amid worsening labor shortages, a sustained corporate investment momentum and a recovery in IT and semiconductor-related market conditions are expected to provide tailwinds to the economy. At the same time, there are concerns about the risk of a slowdown in the global economy due to the protracted Russia-Ukraine crisis, rising tensions in the Middle East triggered by the Israel-Gaza conflict, the stagnant Chinese economy, and continued monetary tightening against a backdrop of inflation. Under these circumstances, the Group will overcome this difficult situation by improving the profitability of all businesses and promoting stable cash generation, while enhancing our earning power by accelerating business growth in the Healthcare and Electronics segments, and building a more resilient business platform that facilitates sustainable growth.

# [Growth Strategy in the Healthcare Segment]

In the Healthcare segment, we will continue to launch products and services based on our proprietary AI technology, biotechnology and other cutting-edge technologies to resolve social issues in the medical field, such as enhancing QOL (quality of life) in an aging society and improving the medical environment in emerging countries. Through these efforts, we aim to increase revenue and profits in FY2024 by achieving revenue of over 1 trillion yen in the Healthcare segment for the first time.

In the medical systems business, we will continue to focus on the priority issues of creating group synergies with FUJIFILM Healthcare Corporation and increasing added value through the use of IT and AI technologies. This summer, domestic group companies related to the medical systems business will be reorganized on a functional basis to further strengthen the structures for each function of business strategy planning, research and development, and sales and maintenance service. In addition, we will not only increase the added value of medical devices as "products" by offering high-value-added solutions that combine our broad product portfolio and medical IT, which are our strengths, but will also promote a shift to delivering value through "products + services," including AI-based predictive failure monitoring, disease-specific solutions, and total packages such as health screening centers. In April 2024, we launched the SYNAPSE Creative Space, a service to support the development of AI technology for image diagnosis in medical institutions and research laboratories. It is a cloud service that does not require advanced engineering skills, but can be used by simply preparing a PC at hand. It will promote the development of AI technology to support image diagnosis for various diseases, including rare diseases. By providing this service, we will support the development of AI technology to aid medical practice, while also focusing on the social implementation of AI and educational support.

In the bio CDMO business, with the aim of expanding the business to meet the strong demand for antibody drugs, we will start operation of a large-scale active pharmaceutical ingredient (API) manufacturing facility in the Denmark site in FY2024 and begin construction of an additional large-scale API manufacturing facility at the North Carolina site in the U.S. (scheduled to be operational in 2028). Amid a slowdown in the contract manufacturing business for small-and medium-sized manufacturing facilities in the U.K. and U.S. sites, triggered by the stagnation in the development of cell / gene therapeutics and a smaller number of clinical trials due to weakened investment in biotech companies, we will strive to expand the business by optimizing the production structure, particularly for gene therapeutic drugs for

which demand is expected to slacken in the long term, by converting API manufacturing facilities for use in antibody drugs, etc.

In the life sciences business, we will strengthen our ability to make proposals to customers in the field of drug discovery support materials by developing distinctive products and offering solutions that combine iPS cells, culture media and reagents, and continue to expand the business based on a customer support structure that can respond in detail to the needs of pharmaceutical companies, biotech companies and academia. We will also expand the CDMO business for cell therapy drugs utilizing our iPS cell technology and know-how.

In the pharmaceutical business, we will promote stable supply of antibacterial agents, which are in increasing demand due to the epidemic outbreak of infectious diseases following the COVID-19 pandemic.

In the consumer healthcare business, in addition to expanding sales of the ASTALIFT Advanced series launched in FY2023 and new products, including *Hizatect* (food with functional claims for knee problems), we will continue to expand the business by successively launching new distinctive cosmetics and supplements.

In the CRO business, we will extend our distinctive services, which make full use of our proprietary AI technology, compound libraries, iPS cells, etc., to customers in the early stages of drug discovery, mainly from basic research to non-clinical trials.

#### [Growth Strategy in the Electronics Segment] (Formerly the Materials Segment)

In the Electronics segment, we will develop new businesses from a medium- to long-term perspective under the Advanced Materials Strategy Headquarters and further accelerate business growth in this field through strategy management and business portfolio establishment on a customer application basis.

In the semiconductor market, the wider use of AI, IoT and 5G as well as DX acceleration have led to growing needs, and semiconductors are expected to become even more miniaturized / highly integrated to improve performance. In the semiconductor materials business (formerly electronic materials business), to meet such market needs, we will continue to implement timely and aggressive capital expenditure for the development and stable supply of materials that enable higher performance. Moreover, the acquisition of the process chemicals business in FY2023 has broadened our product lineup, allowing us to supply products for various semiconductor manufacturing processes. Going forward, we will accelerate business growth by further expanding our product lineup through new product development and providing one-stop solutions, such as solving complex customer issues that cannot be solved with a single material, by leveraging our strengths in having complementary materials such as CMP slurries and post-CMP cleaners.

In the display materials business, we will expand by promoting the development and introduction of parts and materials that utilize our proprietary thin-film/multilayer coating, optical wavelength control and other technologies for new applications, including in-vehicle displays and AR/VR smart glasses, thereby proactively contributing to the dissemination of next-generation electronic devices. We will also maintain our strong market position in TAC products for LCD panels and increase our market share of OLED materials.

In the industrial products business, we will continue to expand sales of the *EXCLEAR* sensor film for touch panels, data tapes for use at data centers, the pressure measurement film *Prescale* used in the manufacturing process of semiconductors, displays and other devices, membrane filters and other advanced products that utilize our proprietary technologies. We will also expand by aggressively developing new businesses to capitalize on the explosive growth of communication and energy infrastructures.

In the fine chemicals business, we will increase the supply of semiconductor materials and other differentiated products for the electronics field using our proprietary flow synthesis, high purification and other technologies. We will also focus on the three priority areas of electronics, life sciences and environment/energy, and expand our business scope by creating differentiated products that take advantage of our high purification technology and advanced quality assurance function.

## [Growth Strategy in the Business Innovation Segment]

In the Business Innovation segment, we will integrate the graphic communications business and rename it the "printing and solutions" business to develop services in all printing areas from office and commercial printing (analog/digital) to industrial printing as the only "solution partner" in the industry. In addition, we will further strengthen

the business base by forming a business alliance with an external partner for the procurement of parts and materials and the establishment of structures for toner development / production and supply.

In the business solutions business, based on our *IT Expert Services* that support the construction and operation of IT infrastructure environment in response to the growing need for DX, we will contribute to our customers' DX and achieve business growth by providing *FUJIFILM IWpro*, a cloud service that accelerates DX by supporting the migration of customers' infrastructure to the cloud and business process transformation through the maximum use of customers' current systems, and by selling and implementing ERP solutions, mainly Microsoft Dynamics 365.

In the office solutions business, amid a gradual decline in print volume due to the spread of hybrid work, we will focus on the A3 color area, where we are particularly strong, and shift to efficient sales with a focus on strengthening environmental responsiveness and the production base. In addition, with leading distributors in European countries starting to handle our multifunction printers, we will strive to expand sales in new markets.

In the graphic communications business, while large-lot analog and monochrome printings are expected to decline in the commercial / package printing markets, the demand for high-speed full-color digital printing and DX is expected to grow in line with an increase in high-mix, small-lot printing and color printing. We will accelerate our digital shift by investing in high-speed, high-image-quality digital printing and DX, which are expected to grow, and by expanding sales mainly to a printing plate customer that has a dominant share of the domestic market as well as a leading share of the overseas market. In the printing plates business, we will focus on expanding sales of high value-added, non-processing plates\* and improving profitability under a leaner structure resulting from the global consolidation of production lines. Regarding inkjet inks/heads, while reorganizing our production system to improve profitability, we will expand sales by capitalizing on our strengths in proprietary key components of inks/heads. In addition, we will respond to the growth of the commercial/package printing markets by providing brand owners with custom systems that combine our inks/heads and by incorporating digital printing technology into the production lines of our customers' products.

\* They do not require a developer, reducing both cost and time, and the non-use of a developer solution eliminates waste liquid, resulting in superior environmental performance.

#### [Growth Strategy in the Imaging Segment]

In the Imaging segment, we will achieve sustainable growth by developing our unique ecosystem centered on "shooting, seeing and sharing photos" and continuing to create new impressions and experiences.

In the consumer imaging business, we aim to develop new user base by continuing to launch new products, including the high-end *INSTAX mini 99* analog instant camera released on April 11, by responding to demand for events/businesses, and by collaborating with other industries. In addition, we will continue to tap new printing demand by further expanding sales of FUJIFILM Business Innovation's toner-based printers and creating new touch points with the younger generation through alliances with partners in various industries.

In the professional imaging business, we will expand our fan base by reinforcing the multi-brand digital camera strategy featuring the *X series* and the *GFX series* to develop potential needs of people who want more than just smartphone cameras. We will also expand sales of projectors, develop new applications for long-range surveillance cameras and launch DX solutions and other businesses in new fields by maximizing the use of cutting-edge optical technology, image processing technology and AI.

#### [Initiatives in Priority Areas under SVP2030]

From the perspective of "resolving social issues through our business activities" and "considering society and the environment in business processes," we are striving to achieve goals set for four priority areas in SVP2030, namely Environment, Health, Daily Life and Work Style, as well as supply chain and governance which serve as the basis of our business activities.

In Environment, we are addressing climate change, preserving biodiversity and promoting resource recycling,

including water resources, as priority issues. With regard to decarbonization, we have set a target aligned with the 1.5°C target set out in the Paris Agreement: Reduce greenhouse gas (GHG) emissions over the entire lifecycle of proprietary products by 50% (compared to FY2019 levels) by FY2030. This target has been validated by the Science Based Targets (SBT) Initiative\* as a scientifically based target for achieving the 1.5°C target of the Paris Agreement. To achieve this target, under the Fujifilm Group environmental strategy "Green Value Climate Strategy," we will promote manufacturing activities with lower environmental impact and creation / promotion of products and services with excellent environmental performance. In FY2023, we are expected to achieve the direct/indirect energy-induced GHG emissions (Scope 1+2) reduction target of 11% (compared to FY2019 levels). We are also promoting low-carbon investments based on the internal carbon pricing, which we introduced in the previous fiscal year, to contribute to the realization of a decarbonized society. In recognition of these activities, we were named to CDP "A List," the highest rating, in the Climate Change category in a corporate survey conducted by CDP, an international non-profit organization. This is the second consecutive year that we were selected as an "A List" in the category of Climate Change.

In Health, we aim to increase the number of countries where we introduce our medical AI-based products/services, which reached 100 in FY2023, to all 196 countries throughout the world by FY2030. By providing endoscopes, diagnostic ultrasound systems, digital mammography, CT, MRI and other diagnostic medical systems/services, we support physicians in their efforts to detect disease early and contribute to maintaining and improving people's health. We have been selected as a Health & Productivity Stock for the fourth consecutive year in a program jointly organized by the Ministry of Economy, Trade and Industry (METI) of Japan and the Tokyo Stock Exchange, in recognition of our efforts to improve employee health awareness, cancer prevention measures and other efforts. We have also been recognized as a Certified Health & Productivity Management Outstanding Organizations White 500 for the eighth consecutive year in a METI and Nippon Kenko Kaigi program that honors organizations with exceptional health and productivity management. We will continue with our initiatives in resolving social issues through healthcare businesses and contribute to the establishment of a healthy society with longevity.

In Work Style, we will provide work styles that help workers improve productivity and unleash creativity by using our solutions/services that drive business innovation to a cumulative total of 50 million people by FY2030. We were awarded the highest honor in the corporate HR category of the Nihon-no Jinjibu "HR Awards 2023" supported by the Ministry of Health, Labour and Welfare (hosted by the HR Award Steering Committee). This award was based on the high recognition of our unique self-development assistance program "+STORY."

In governance, we are enhancing corporate governance, which we have positioned as a key management issue. We separated the role of the chairman of the Board of Directors and the CEO to clarify the roles of supervision and execution of business operations. We also introduced the Restricted Share-Based Remuneration Plan and the Medium-Term Performance-Linked Share-Based Remuneration for directors and ensured the diversity of the Board of Directors (increasing the number of female directors and reviewing the skills matrix). Through sincere and fair business activities, we aim to contribute to the sustainable development of society, while achieving sustainable growth of the Group and improving its corporate value.

\* An international joint initiative of CDP, the UN Global Compact, WRI (World Resources Institute) and WWF (World Wide Fund for Nature). It promotes best practices for the verification of GHG emission reduction targets and reduction measures based on scientific evidence.

#### [FY2024 Fujifilm Group Corporate Direction]

The Fujifilm Group's corporate direction for FY2024 is "With our aspirations, let's deliver outstanding value to the world!" To achieve the Group Purpose, it is necessary to (1) develop new products and solutions, and invest in facilities to drive our sustainable business growth, (2) address Environmental, Social and Governance (ESG) issues to advance our efforts towards environmental sustainability, protection of human rights and ethical supply chain management, and (3) invest in our people, implement innovations in developing our talent, enhance working conditions, and increase compensation standards as we focus on employee engagement and the full utilization of every employee's unique skills and capabilities. The Group will further improve its earning power to generate profits to fund these activities and evolve into an even more profitable company by pursuing both economic and social value. Furthermore, by reinvesting the

profits earned in (1), (2) and (3) above, we will create a sustainable positive cycle.

We will harness the creativity and diversity of our people, our knowledge, and the technologies that support innovative thinking and action, and will collaborate with our stakeholders while aspiring to our highest ambitions. In this way, we will develop and deliver innovation which delivers exceptional value while also providing people around the world reasons to smile.

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

# 5. CONSOLIDATED FINANCIAL STATEMENTS

# (1) Consolidated Balance Sheets

(1) Consolidated Balance Sheets	As of	As of	nount Cint. Winnons of yen
			Change
	March 31, 2024	March 31, 2023	
ASSETS			
Current assets:			
Cash and cash equivalents	179,715	268,608	(88,893)
Notes and accounts receivable:			
Trade	674,112	608,645	65,467
Lease receivable	39,248	40,038	(790)
Affiliated companies	2,397	2,561	(164)
Allowance for doubtful receivables	-	(18,193)	18,193
Allowance for credit losses	(19,172)	-	(19,172)
	696,585	633,051	63,534
Inventories	547,803	567,302	(19,499)
Prepaid expenses and Other	150,525	162,146	(11,621)
Total current assets	1,574,628	1,631,107	(56,479)
Investments and long-term receivables:			
Investments in and advances to affiliated companies	40,771	42,921	(2,150)
Investment securities	83,458	70,745	12,713
Long-term lease receivables	55,296	55,487	(191)
Other long-term receivables	30,537	22,103	8,434
Allowance for doubtful receivables	_	(2,351)	2,351
Allowance for credit losses	(2,185)	-	(2,185)
Total investments and long-term receivables	207,877	188,905	18,972
Property, plant and equipment:			
Land	113,350	105,923	7,427
Buildings	818,610	770,926	47,684
Machinery and equipment	1,611,452	1,505,008	106,444
Construction in progress	685,176	345,253	339,923
Construction in progress		· · · · · · · · · · · · · · · · · · ·	
Tara arangulated dannasistica	3,228,588	2,727,110	501,478
Less accumulated depreciation  Total property, plant and equipment	(1,832,853) 1,395,735	(1,750,999)	(81,854) 419,624
rotal property, plant and equipment	1,373,733	770,111	117,021
Other assets:			
Operating lease right-of-use assets	100,094	82,276	17,818
Goodwill, net	953,835	858,311	95,524
Other intangible assets, net	178,335	144,258	34,077
Deferred income taxes	38,815	30,125	8,690
Other	334,141	223,218	110,923
Total other assets	1,605,220	1,338,188	267,032
Total assets	4,783,460	4,134,311	649,149

Amount Unit: Millions of yen

		As of		
		March 31, 2024	March 31, 2023	Change
LIABILITIES				
Current liabilities:				
Short-term debt		317,103	106,093	211,010
Notes and accounts payable:				
Trade		262,752	246,093	16,659
Construction		82,421	72,713	9,708
Affiliated companies		1,305	1,603	(298)
		346,478	320,409	26,069
Accrued income taxes		47,947	39,214	8,733
Accrued liabilities		251,205	234,809	16,396
Short-term operating lease liabilit	ies	32,589	31,031	1,558
Other current liabilities		170,519	158,766	11,753
Total current liabilities		1,165,841	890,322	275,519
Torrestance Politikar				
Long-term liabilities:		195 716	270.060	(94.244)
Long-term debt		185,716	270,060	(84,344)
Accrued pension and severance co		21,055	21,909	(854)
Long-term operating lease liabiliti  Deferred income taxes	es	72,223	55,400	16,823
		90,747	49,150	41,597
Other long-term liabilities		74,563 444,304	59,610	14,953
Total long-term liabilities  Total liabilities		1,610,145	456,129 1,346,451	(11,825) 263,694
Total Habilities		1,010,143	1,340,431	203,094
EQUITY				
FUJIFILM Holdings shareholders' eq	uity			
Capital		40,363	40,363	-
Common stock, without par va	lue:			
Authorized: 800,	000,000 shares			
Issued: 414,	625,728 shares			
Retained earnings		2,741,416	2,616,191	125,225
Accumulated other comprehensive	e income (loss)	443,619	163,820	279,799
Treasury stock, at cost				
As of March 31, 2023: 13,52	8,181 shares			
As of March 31, 2024: 13,26	9,764 shares	(56,151)	(57,229)	1,078
Total FUJIFILM Holdings share	nolders' equity	3,169,247	2,763,145	406,102
Noncontrolling interests		4,068	24,715	(20,647)
Total equity		3,173,315	2,787,860	385,455
Total liabilities and equity		4,783,460	4,134,311	649,149

Note: Details of accumulated other comprehensive income (loss)

	As of March 31, 2024	As of March 31, 2023	Change
Foreign currency translation adjustments	465,118	232,893	232,225
Pension liability adjustments	(21,497)	(69,193)	47,696
Unrealized gains (losses) on derivatives	(2)	120	(122)

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

Year Ended March 31

		ar ended n 31, 2024		ar ended a 31, 2023	Change		
	From A	pril 1, 2023 ch 31, 2024	From A	From April 1, 2022 to March 31, 2023		%	
	%	·	%				
Revenue:	100.0	2,960,916	100.0	2,859,041	101,875	3.6	
Cost of sales:	59.9	1,774,656	60.2	1,721,113	53,543	3.1	
Gross profit	40.1	1,186,260	39.8	1,137,928	48,332	4.2	
Operating expenses:							
Selling, general and administrative	25.5	752,427	24.8	710,702	41,725	5.9	
Research and development	5.3	157,108	5.4	154,147	2,961	1.9	
	30.8	909,535	30.2	864,849	44,686	5.2	
Operating income	9.3	276,725	9.6	273,079	3,646	1.3	
Other income (expenses):							
Interest and dividend income		12,226		7,670	4,556		
Interest expense		(8,483)		(5,006)	(3,477)		
Foreign exchange gains (losses), net		2,702		(3,563)	6,265		
Gains (losses) on equity securities, net		24,675		(662)	25,337		
Other, net		9,443		10,706	(1,263)		
	1.4	40,563	0.3	9,145	31,418	343.6	
Income before income taxes	10.7	317,288	9.9	282,224	35,064	12.4	
Income taxes							
Current		79,809		79,168	641		
Deferred		(1,707)		(13,962)	12,255		
	2.6	78,102	2.3	65,206	12,896	19.8	
Equity in net earnings (losses) of affiliated companies	0.1	4,111	0.2	4,656	(545)	(11.7	
Net income	8.2	243,297	7.8	221,674	21,623	9.8	
Less: Net (income) loss attributable to the noncontrolling interests	0.0	212	(0.1)	(2,252)	2,464		
Net income attributable to FUJIFILM Holdings	8.2	243,509	7.7	219,422	24,087	11.0	

# **Three Months Ended March 31**

		Three months ended March 31, 2024		Three months ended March 31, 2023		Change		
	From January 1, 2024 From January 1, 2023 to March 31, 2024 to March 31, 2023		From January 1, 2023 to March 31, 2023				Amount	%
	%		%					
Revenue:	100.0	805,505	100.0	764,781	40,724	5.3		
Cost of sales:	61.3	494,002	61.3	468,638	25,364	5.4		
Gross profit	38.7	311,503	38.7	296,143	15,360	5.2		
Operating expenses:								
Selling, general and administrative	24.9	200,312	24.4	186,492	13,820	7.4		
Research and development	4.9	39,393	5.1	39,209	184	0.5		
	29.8	239,705	29.5	225,701	14,004	6.2		
Operating income	8.9	71,798	9.2	70,442	1,356	1.9		
Other income (expenses):								
Interest and dividend income		2,915		2,422	493			
Interest expense		(2,422)		(2,451)	29			
Foreign exchange gains (losses), net		4,224		(276)	4,500			
Gains (losses) on equity securities, net		8,945		2,770	6,175			
Other, net		2,164		4,530	(2,366)			
	2.0	15,826	0.9	6,995	8,831	126.2		
Income before income taxes	10.9	87,624	10.1	77,437	10,187	13.2		
Income taxes	2.4	19,192	1.5	11,797	7,395	62.7		
Equity in net earnings (losses) of affiliated companies	0.2	1,880	0.1	1,091	789	72.3		
Net income	8.7	70,312	8.7	66,731	3,581	5.4		
Less: Net (income) loss attributable to the noncontrolling interests	0.0	(563)	(0.1)	(1,044)	481			
Net income attributable to FUJIFILM Holdings	8.7	69,749	8.6	65,687	4,062	6.2		

# (Consolidated Statements of Comprehensive Income)

Year Ended March 31 Amount Unit: Millions of yen

	Year ended March 31, 2024 From April 1, 2023 to March 31, 2024	Year ended March 31, 2023 From April 1, 2022 to March 31, 2023	Change
Net income	243,297	221,674	21,623
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	_	(27)	27
Foreign currency translation adjustments	227,828	85,528	142,300
Pension liability adjustments	48,189	2,801	45,388
Unrealized gains (losses) on derivatives	(122)	74	(196)
Other comprehensive income (loss)	275,895	88,376	187,519
Comprehensive income (loss)	519,192	310,050	209,142
Less: Comprehensive (income) loss attributable to noncontrolling interests	4,116	(2,801)	6,917
Comprehensive income (loss) attributable to FUJIFILM Holdings	523,308	307,249	216,059

# **Three Months Ended March 31**

	Three months ended March 31, 2024  From January 1, 2024 to March 31, 2024  Three months ended March 31, 2023  From January 1, 2023 to March 31, 2023		Change
Net income Other comprehensive income (loss), net of tax:	70,312	66,731	3,581
Unrealized gains (losses) on securities	_	155	(155)
Foreign currency translation adjustments	111,698	24,670	87,028
Pension liability adjustments	48,313	1,247	47,066
Unrealized gains (losses) on derivatives	9	(104)	113
Other comprehensive income (loss)	160,020	25,968	134,052
Comprehensive income (loss)	230,332	92,699	137,633
Less: Comprehensive (income) loss attributable to noncontrolling interests	(705)	(670)	(35)
Comprehensive income (loss) attributable to FUJIFILM Holdings	229,627	92,029	137,598

# (3) Consolidated Statements of Changes in Shareholders' Equity

	8			J				
	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, 2022	40,363	-	2,867,848	75,993	(481,547)	2,502,657	22,283	2,524,940
Comprehensive income (loss):								
Net income			219,422			219,422	2,252	221,674
Change in net unrealized losses on securities				(27)		(27)		(27)
Foreign currency translation adjustments				84,193		84,193	1,335	85,528
Pension liability adjustments				3,587		3,587	(786)	2,801
Change in net unrealized gains on derivatives				74		74		74
Net comprehensive income						307,249	2,801	310,050
Purchases of treasury stock					(20)	(20)		(20)
Sales of treasury stock		317			1,308	1,625		1,625
Retirement of treasury stock		(423,030)			423,030	-		-
Dividends paid to FUJIFILM Holdings shareholders			(48,131)			(48,131)		(48,131)
Dividends paid to noncontrolling interests							(382)	(382)
Stock acquisition rights		(235)				(235)		(235)
Transfer from retained earnings to additional paid-in capital		422,948	(422,948)			-		-
Equity transactions with non controlling interests and other							13	13
Balanced at March 31, 2023	40,363	-	2,616,191	163,820	(57,229)	2,763,145	24,715	2,787,860
Cumulative Effect of Adoption of Accounting Standard Update No.2016-13			(234)			(234)		(234)
Comprehensive income (loss):								
Net income			243,509			243,509	(212)	243,297
Foreign currency translation adjustments				232,225		232,225	(4,397)	227,828
Pension liability adjustments				47,696		47,696	493	48,189
Change in net unrealized losses on derivatives				(122)		(122)		(122)
Net comprehensive income						523,308	(4,116)	519,192
Purchases of treasury stock					(31)	(31)		(31)
Sales of treasury stock		551			1,109	1,660		1,660
Dividends paid to FUJIFILM Holdings shareholders			(60,201)			(60,201)		(60,201)
Dividends paid to noncontrolling interests							(12,577)	(12,577)
Stock acquisition rights		(464)				(464)		(464)
Transfer from retained earnings to additional paid-in capital		53,838	(53,838)			-		-
Equity transactions with non controlling interests and other		(53,925)	(4,011)			(57,936)	(3,954)	(61,890)
Balanced at March 31, 2024	40,363		2,741,416	443,619	(56,151)	3,169,247	4,068	3,173,315

(4) Consolidated Statements of Cash Flows	Year ended March 31, 2024 From April 1, 2023	Year ended March 31, 2023 From April 1, 2022	nount Unit: Millions of yen Change
	to March 31, 2024	to March 31, 2023	
Operating activities			
Net income	243,297	221,674	21,623
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	150,014	142,215	7,799
(Gains) losses on equity securities	(24,675)	662	(25,337)
Deferred income taxes	(1,707)	(13,962)	12,255
Equity in net (gains) losses of affiliated companies, net of dividends received	(3,469)	(3,994)	525
Changes in operating assets and liabilities:			
Notes and accounts receivable	(21,157)	(17,052)	(4,105)
Inventories	62,023	(51,545)	113,568
Notes and accounts payable - trade	3,382	(9,221)	12,603
Changes in prepaid expenses and other current assets	6,512	(14,349)	20,861
Accrued income taxes and other liabilities	4,341	(51,712)	56,053
Other	(10,620)	7,736	(18,356)
Subtotal	164,644	(11,222)	175,866
Net cash provided by operating activities	407,941	210,452	197,489
Investing activities			
Purchases of property, plant and equipment	(417,966)	(269,844)	(148,122)
Purchases of software	(46,746)	(53,628)	6,882
Proceeds from sales and maturities of marketable and investment securities	13,443	38,890	(25,447)
Purchases of marketable and investment securities	(729)	(3,880)	3,151
(Increase) decrease in time deposits, net	945	2,711	(1,766)
Increase in investments in and advances to affiliated companies	(343)	(853)	510
Acquisitions of businesses, net of cash acquired	(103,849)	(28,653)	(75,196)
Proceeds from sale of businesses, net of cash and cash equivalents disposed of	12,416	-	12,416
Other	15,413	(7,968)	23,381
Net cash used in investing activities	(527,416)	(323,225)	(204,191)
Financing activities			
Proceeds from long-term debt	-	120,000	(120,000)
Repayments of long-term debt	(104,561)	(192,360)	87,799
Increase (decrease) in short-term debt with maturities of three months or less, net	229,062	(1,538)	230,600
Cash dividends paid to shareholders	(56,170)	(46,109)	(10,061)
Subsidiaries' cash dividends paid to noncontrolling interests	(12,577)	(382)	(12,195)
Net purchases of stock for treasury	(31)	(20)	(11)
Capital transactions with noncontrolling interests and other	(57,895)	218	(58,113)
Others	1,710	(3,504)	5,214
Net cash used in financing activities	(462)	(123,695)	123,233
Effect of exchange rate changes on cash and cash equivalents	31,044	18,748	12,296
Net decrease in cash and cash equivalents	(88,893)	(217,720)	128,827
Cash and cash equivalents at beginning of year	268,608	486,328	(217,720)
Cash and cash equivalents at end of year	179,715	268,608	(88,893)

#### (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: 272

Main companies : FUJIFILM Corporation, FUJIFILM Business Innovation Corp.

FUJIFILM Business Innovation Japan Corp, 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 June 2016, the FASB issued Accounting Standards Update 2016-13, FINANCIAL INSTRUMENTS—CREDIT LOSSES (TOPIC 326): MEASUREMENT OF CREDIT LOSSES ON FINANCIAL INSTRUMENTS. The Accounting Standards Update 2016-13 requires financial assets to be measured using the current losses based on the expected credit loss model rather than the incurred loss model. The expected credit loss model is defined as the estimate of contractual cash flows not expected to be collected. The standard is effective for fiscal years (including interim periods) beginning after December 15, 2022, with early adoption permitted. The Company adopted the Accounting Standards Update 2016-13 effective for fiscal years beginning on April 1, 2023 with a cumulative-effect adjustment made at the beginning of the first year of adoption. The adoption of Update 2016-13 did not have a material impact on the Company's results of operations and financial position.

#### **Segment Information**

#### 1. Year Ended March 31

#### (A) Operating Segment Information

a. Revenue

Amount Unit: Millions of yen

		ear ended ch 31, 2024	Year ended March 31, 2023 From April 1, 2022 to March 31, 2023		Change	
		April 1, 2023 rch 31, 2024			Amount	%
Revenue:	%		%			
Healthcare:						
External customers	32.9	975,081	32.5	928,875	46,206	5.0
Intersegment		51		93	(42)	-
Total		975,132		928,968	46,164	5.0
Materials:						
External customers	23.3	690,041	23.8	681,793	8,248	1.2
Intersegment		1,227		1,241	(14)	-
Total		691,268		683,034	8,234	1.2
Business Innovation:						
External customers	27.9	826,136	29.3	838,080	(11,944)	(1.4)
Intersegment		6,322		9,002	(2,680)	-
Total		832,458		847,082	(14,624)	(1.7)
Imaging:						
External customers	15.9	469,658	14.4	410,293	59,365	14.5
Intersegment		1,543		2,290	(747)	-
Total		471,201		412,583	58,618	14.2
Eliminations		(9,143)		(12,626)	3,483	-
Consolidated total	100.0	2,960,916	100.0	2,859,041	101,875	3.6

## b. Operating income

Amount Unit: Millions of yen

	Year ended Year ended March 31, 2024 March 31, 2023		Change			
		From April 1, 2023 From April 1, 2022 to March 31, 2024 to March 31, 2023		Amount	%	
Operating Income:	%		%			
Healthcare	10.0	97,378	11.1	102,770	(5,392)	(5.2)
Materials	6.2	42,897	9.6	65,466	(22,569)	(34.5)
Business Innovation	8.5	70,750	8.2	69,491	1,259	1.8
Imaging	21.6	101,947	17.7	72,876	29,071	39.9
Total		312,972		310,603	2,369	0.8
Corporate expenses and eliminations		(36,247)		(37,524)	1,277	-
Consolidated total	9.3	276,725	9.6	273,079	3,646	1.3

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

Healthcare: Equipment and materials for medical systems,

contract development and manufacturing organization of biopharmaceuticals, drug discovery support such as iPS cells, cell culture media and reagents,

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pharmaceuticals, cosmetics and supplements, etc.

Materials: Electronic materials, display materials, industrial equipment, fine chemicals,

equipment and materials for graphic communication,

inks and industrial inkjet printheads, etc.

Business Innovation: Digital MFPs, solutions and services, etc.

Imaging: Instant photo systems, color films, services and equipment for photofinishing,

digital cameras and optical devices, etc.

c. Total Assets

Amount Unit: Millions of yen

	As of	As of	Chang	ge
	March 31, 2024	March 31, 2023	Amount	%
Total assets:				
Healthcare	2,180,483	1,749,744	430,739	24.6
Materials	1,192,182	1,073,978	118,204	11.0
Business Innovation	990,179	946,508	43,671	4.6
Imaging	321,907	293,891	28,016	9.5
Subtotal	4,684,751	4,064,121	620,630	15.3
Eliminations	(19,929)	(16,508)	(3,421)	-
Corporate assets	118,638	86,698	31,940	36.8
Consolidated total	4,783,460	4,134,311	649,149	15.7

# d. Depreciation and amortization, and Capital expenditures

	Year ended	Year ended	Chang	ge
	March 31, 2024 From April 1, 2023 to March 31, 2024	March 31, 2023 From April 1, 2022 to March 31, 2023	Amount	%
Depreciation and amortization:				
Healthcare	56,859	50,481	6,378	12.6
Materials	37,595	32,791	4,804	14.7
Business Innovation	38,236	42,248	(4,012)	(9.5)
Imaging	14,768	14,079	689	4.9
Corporate	2,556	2,616	(60)	(2.3)
Consolidated total	150,014	142,215	7,799	5.5
Capital expenditures:				
Healthcare	347,208	219,808	127,400	58.0
Materials	46,731	44,664	2,067	4.6
Business Innovation	16,687	12,646	4,041	32.0
Imaging	10,103	9,569	534	5.6
Corporate	1,344	1,619	(275)	(17.0)
Consolidated total	422,073	288,306	133,767	46.4

# (B) Geographic Information

# a. Long - lived assets

	As of	As of	Chang	ge
	March 31, 2024	March 31, 2023	Amount	%
Long - lived assets				
Japan	385,506	369,407	16,099	4.4
The Americas	447,731	244,704	203,027	83.0
Europe	488,537	293,885	194,652	66.2
Asia and others	73,961	68,115	5,846	8.6
Consolidated total	1,395,735	976,111	419,624	43.0

# b. Overseas revenue (Destination Base)

Amount Unit: Millions of yen

			Year ended Year ended Change				Change
		From .	ch 31, 2024 April 1, 2023 rch 31, 2024	From	ch 31, 2023 April 1, 2022 rch 31, 2023	Amount	%
Reven	nue:	%		%			
Do	omestic	35.4	1,049,550	35.9	1,026,295	23,255	2.3
Ov	verseas:						
	The Americas	21.7	641,784	23.0	656,909	(15,125)	(2.3)
	Europe	15.9	470,573	15.1	430,350	40,223	9.3
	Asia and others	27.0	799,009	26.0	745,487	53,522	7.2
	Subtotal	64.6	1,911,366	64.1	1,832,746	78,620	4.3
Сс	onsolidated total	100.0	2,960,916	100.0	2,859,041	101,875	3.6

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

		months ended ch 31, 2024	Three months ended March 31, 2023			Change
		anuary 1, 2024 arch 31, 2024		anuary 1, 2023 rch 31, 2023	Amount	%
Levenue:	%		%			
Healthcare:						
External customers	35.4	284,369	37.5	287,099	(2,730)	(1.0)
Intersegment		31		45	(14)	-
Total		284,400		287,144	(2,744)	(1.0)
Materials:						
External customers	24.2	195,265	21.9	167,137	28,128	16.8
Intersegment		312		328	(16)	-
Total		195,577		167,465	28,112	16.8
Business Innovation:						
External customers	27.9	224,786	29.3	224,001	785	0.4
Intersegment		1,391		2,234	(843)	-
Total		226,177		226,235	(58)	(0.0)
Imaging:						
External customers	12.5	101,085	11.3	86,544	14,541	16.8
Intersegment		474		323	151	-
Total		101,559		86,867	14,692	16.9
Eliminations		(2,208)		(2,930)	722	-
Consolidated total	100.0	805,505	100.0	764,781	40,724	5.3

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

Healthcare: Equipment and materials for medical systems,

contract development and manufacturing organization of biopharmaceuticals,

drug discovery support such as iPS cells, cell culture media and reagents,

pharmaceuticals, cosmetics and supplements, etc.

Materials: Electronic materials, display materials, industrial equipment, fine chemicals,

equipment and materials for graphic communication,

inks and industrial inkjet printheads, etc.

Business Innovation: Digital MFPs, solutions and services, etc.

Imaging: Instant photo systems, color films, services and equipment for photofinishing,

digital cameras and optical devices, etc.

#### (B) Geographic Information

Overseas Revenue (Destination Base)

Amount Unit	Millions	of yen
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		Three months ended March 31, 2024 Three months ended March 31, 2023 Char				Change			
			nuary 1, 2024 rch 31, 2024	From January 1, 2023 to March 31, 2023		Λ,		Amount	%
Reven	nue:	%		%					
Do	omestic	37.0	298,320	39.7	303,536	(5,216)	(1.7)		
O	/erseas:								
	The Americas	20.5	164,744	22.1	168,799	(4,055)	(2.4)		
	Europe	17.2	138,631	14.7	112,336	26,295	23.4		
	Asia and others	25.3	203,810	23.5	180,110	23,700	13.2		
	Subtotal	63.0	507,185	60.3	461,245	45,940	10.0		
Co	onsolidated total	100.0	805,505	100.0	764,781	40,724	5.3		

#### (Amounts Per Share of Common Stock)

	Year ended March 31,	Year ended March 31,
	2024	2023
	From April 1, 2023 to	From April 1, 2022 to
	March 31, 2024	March 31, 2023
FUJIFILM Holdings shareholders' equity per share	2,632.12	2,296.32
Basic net income attributable to FUJIFILM Holdings per share	202.29	182.40
Diluted net income attributable to FUJIFILM Holdings per share	202.05	182.14

As of April 1, 2024, we implemented a 3-for-1 stock split of our common stock. Shareholders' equity per share, basic net income attributable to FUJIFILM Holdings per share, and diluted net income attributable to FUJIFILM Holdings per share were calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (Significant Subsequent Events)

(Stock Split and Partial Amendment to the Articles of Incorporation in Connection with the Stock Split)

Based on the resolution of the Board of Directors meeting held on February 8, 2024, we implemented a stock split and partially amended our Articles of Incorporation in connection with the stock split as of April 1, 2024.

#### 1. Purpose of stock split

The purpose is to reduce the minimum investment price through the stock split, thereby creating an environment where individual investors can invest more easily and expanding the investor base.

#### 2. Outline of stock split

#### (1) Method of stock split

With Sunday, March 31, 2024 as the record date (since this day falls on a non-business day of the shareholder registry administrator, the substantial record date is Friday, March 29, 2024), each share of common stock owned by shareholders listed or recorded in the closing register of shareholders on the record date was split into three shares.

#### (2) Number of shares to be increased by stock split

1. Total number of issued shares before the stock	414,625,728 shares
split	
2. Number of shares increased by the stock split	829,251,456 shares
3.Total number of issued shares following the stock	1,243,877,184 shares
split	
4.Total number of issuable shares following the	2,400,000,000 shares
stock split	

#### 3. Schedule

Public notice of record date Monday, March 11, 2024
Record date Sunday, March 31, 2024
Effective date Monday, April 1, 2024

## 4. Partial amendment of Articles of Incorporation

#### (1) Reason for amendment

In connection with the stock split, the total number of authorized shares as set forth in Article 6 of the Company's Articles of Incorporation was amended, effective as of Monday, April 1, 2024, in accordance with Article 184, Paragraph 2 of the Companies Act.

#### (2) Details of amendment

The details of the amendment are as follows:

(Underlining indicates amendment)

Current Articles of Inco	orporation	Following the amendment		
Chapter II Sl	Shares	Chapter II	Shares	
Article 6. The total number of	shares issuable by the	Article 6. The total number of	of shares issuable by the	
company is <u>800,000</u>	00,000 shares.	company is <u>2,40</u>	00,000,000 shares.	

#### (3) Schedule for amendment

Date of Resolution of the Board of Directors: Thursday, February 8, 2024

Effective date: Monday, April 1, 2024

#### 5. Other

# (1) Change in the amount of stated capital

There will be no change in the amount of stated capital as a result of the stock split.

## (2) Dividends

As the effective date of the stock split is April 1, 2024, the year-end dividend for the fiscal year ended March 31, 2024 with a dividend record date of March 31, 2024 will be paid based on the number of shares before the stock split.