



Strategies by Business Segment Healthcare

Business activities

Relevant materiality



Our Healthcare segment consists of the Medical Systems (including medical IT and equipment, etc.) and Life Sciences (including the Bio CDMO* business, Life Sciences business, Pharmaceuticals business and Consumer Healthcare business) domains. In the Life Sciences domain, we have positioned CDMO and drug discovery support as priority businesses.

* Abbreviation for Contract Development & Manufacturing Organization, which refers to companies offering services to pharmaceutical companies ranging from cell line and process development, stability testing, and development and manufacturing of clinical trial drugs to commercial drug manufacturing.

Market Conditions and Social Issues

In addition to increasing medical expenses due to the aging of society and the spread of COVID-19, working conditions in the healthcare field are becoming more severe due to a shortage of medical personnel.

Moreover, there are many diseases for which effective treatments have yet to be established, such as cancer, rare diseases and new infectious diseases. In recent years, biopharmaceuticals have been attracting attention as a means of treating and preventing these diseases. Biopharmaceuticals have grown to account for approximately 30% of the global pharmaceutical market, and the market for the CDMO business, which engages in contract development and manufacture of production processes, continues to expand at an annual rate of around 10%.

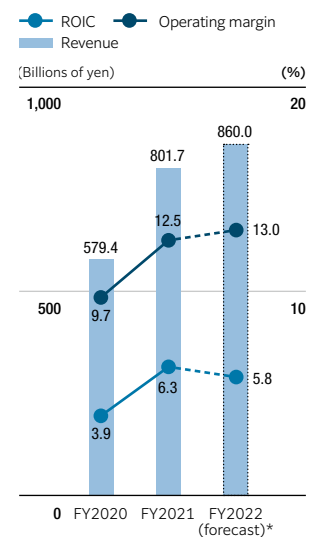
In the areas of prevention, diagnosis and treatment, we will help create a healthy society by resolving social issues, including by addressing unmet medical needs* and improving access to medical services.

* Medical needs for which effective treatments have not been established

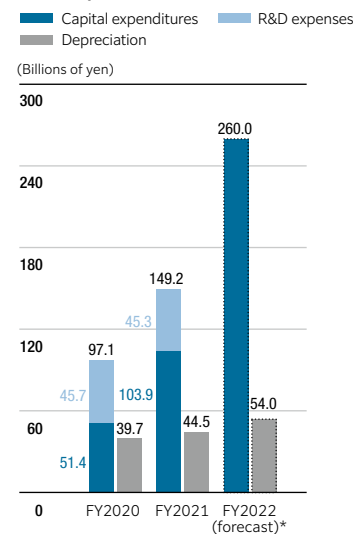
Competitive Advantages

- AI technologies and image processing technologies for providing images suitable for diagnosis
- Advanced chemical compounds, design capabilities and nanotechnologies that enable development of pharmaceuticals to address unmet medical needs
- High levels of technological capabilities to manufacture under consistent conditions and superior quality control, utilized in the process development and manufacturing of biopharmaceuticals
- World-leading iPS cell initialization and differentiation induction technology and culture media development capabilities

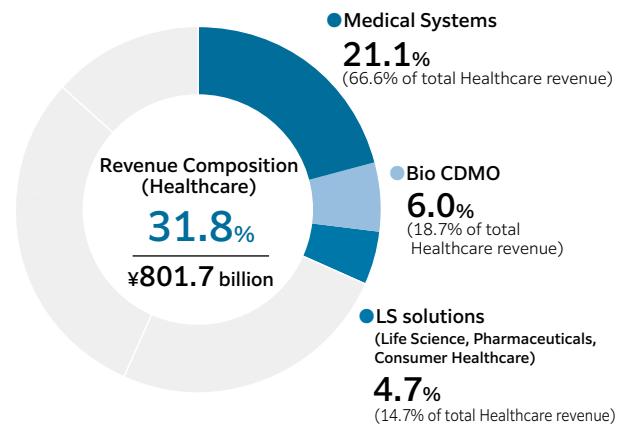
Segment results



Capital expenditures, R&D expenses and depreciation



Sales Ratio by Segment (FY2021)



*The forecasts were announced on September 30, 2022. Note: R&D expense forecasts are not disclosed by segment.

Risks and Opportunities

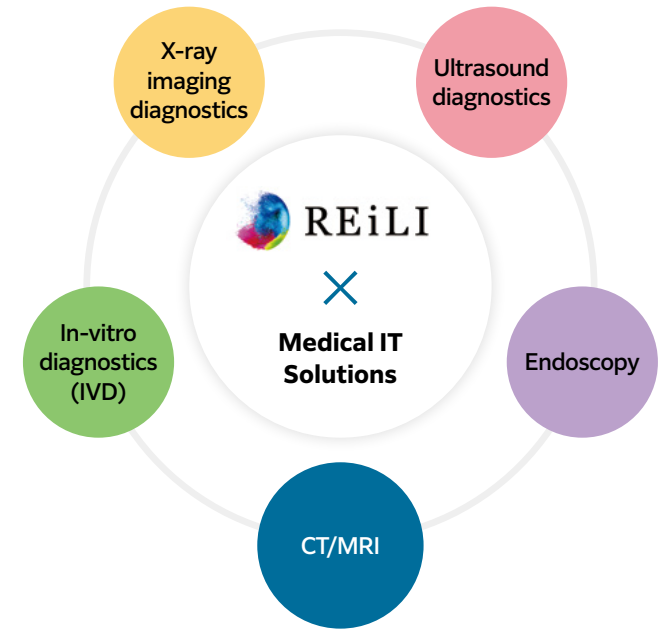
Against the backdrop of an aging population and a shortage of medical professionals, there is a growing need for solutions that contribute to medical support and operational efficiency, as well as increasing unmet medical needs centered on cancer and rare diseases, leading to new business opportunities. On the other hand, we recognize a number of risks. These include major unpredictable changes in medical administration policies due to healthcare system reforms, tighter laws and regulations covering medical devices, and intensifying competition in the contract biopharmaceutical process development and manufacturing market due to technological innovations.

Medical Systems

Growth Strategy

Utilizing its proprietary image processing and AI technologies, Fujifilm is advancing its business in a wide range of areas. These include X-ray diagnostic imaging, endoscopy, ultrasound, in-vitro diagnostics (IVD) and medical IT solutions. In 2021, FUJIFILM Healthcare (which took over the Diagnostic Imaging business of Hitachi, Ltd.), whose main products include CT and MRI equipment, joined the Fujifilm Group. With medical IT at the core of our business, we will continue developing and providing products and services that meet the needs of the medical field by linking our various product groups around SYNAPSE, our medical-use picture archiving and communication system (PACS), which boasts the world's top market share. In these ways, we will foster advances in medical care and help maintain and improve the health of people around the world.

To help resolve the major global issue of eliminating medical disparities, we will provide our unique solutions, such as NURA, a health screening business launched in India, and tuberculosis testing that employs a portable X-ray imaging system. (For details, please refer to PP. 35-38.)



Medical Systems Business

Create new value and help resolve social issues by combining our industry-leading AI/IT technology with our broad product lineup.

Business Strategies

- Increase revenue of the AI/IT solution business by accelerating product development utilizing AI and IT technologies under our "REiLI" AI technology brand.
- Create synergies with FUJIFILM Healthcare Corporation.
- Strengthen overseas marketing and expand sales in the in-vitro diagnostic (IVD) business.
- Expand diagnostic solutions in the endoscopy business.
- Contribute to society by preventing the spread of COVID-19 (through ultrasound diagnostic equipment, X-ray imaging devices for doctors' rounds, antigen test kits, Hydro AG+ alcohol spray for maintaining disinfection, etc.).

| Field | Diagnostic imaging system | | | | | | | | | | Medical IT | | IVD |
|---------------------------------|---------------------------|-----|--------------------|----------------------------|-------------|---------------------|--------------|-------------------|-------------------|-----------|------------|------|-----|
| | CT | MRI | Fluoroscopy system | General radiography system | Mammography | Mobile X-ray system | DR panels/CR | Bone densitometry | Ultrasound system | Endoscopy | HER/HIS | PACS | |
| FUJIFILM Corporation | | | | | | | | | | | | | |
| FUJIFILM Healthcare Corporation | | | | | | | | | | | | | |

Future Initiatives

To maximize synergies between FUJIFILM Corporation and FUJIFILM Healthcare Corporation, we are building a business management structure that includes organizational integration. We are also developing high-value-added products and services by combining FUJIFILM Healthcare Corporation's products with FUJIFILM Corporation's image processing and AI technologies while stepping up cross-selling globally by proposing the integrated products and services of both companies. Furthermore, by accelerating the development of products utilizing AI and IT technologies, we will expand earnings in the AI/IT solutions business. In the IVD business, which handles COVID-19 test kits and other products, we will strengthen business development overseas, and in the endoscopy business we will focus on improving the quality of medical care by expanding diagnostic solution offerings that combine AI and IT.

Life Sciences

Growth Strategy

In the Bio CDMO business, we will address rapidly growing demand for biopharmaceuticals through industry-leading production technologies and large-scale capital investments, mainly for antibody drugs. At the same time, we will expand our contract business in a wide range of modalities, including such cutting-edge therapeutic fields as gene therapeutics, cell therapeutics and bispecific antibodies. Through Life Sciences Corporate Venture Capital (LS-CVC), established in February

2022, we have established a five-year, ¥7 billion investment program for global bio-ventures targeting cutting-edge technologies and other assets. In Pharmaceuticals, we will build a process development and contract manufacture business for next-generation nucleic acid drugs and mRNA vaccines. Here, we will utilize our proprietary technologies in such areas as nano-dispersion, analysis and process technologies, as well as our lipid nanoparticulate manufacturing facilities.

Bio CDMO

Contribute to improving medical accessibility and fulfilling unmet medical needs through the stable supply of high-quality biopharmaceuticals and process development and contract manufacture of gene therapeutics, an advanced medical field.



Business Strategies

- Further expand our contract manufacturing business in cutting-edge therapeutics by adding cell therapeutics launched in California to our gene therapeutics, which we are strengthening at our sites in Texas, Boston and the United Kingdom.
- Achieve differentiation by establishing industry-leading high-productivity technologies in each modality, such as the commercial continuous production system, which enables integrated production of antibody drugs from culture to purification, and proprietary plasmid technology to build highly productive cell lines for bispecific antibodies.
- Establish "end-to-end service offering" including process development, drug substance manufacturing, fill/finish, assembly, labeling and packaging, from small-scale to large-scale production.

Life Sciences

(Drug discovery support, contract development/manufacture of cell therapeutic processes)

Support the pharmaceutical industry by actively promoting business in the biomedical field.



Business Strategies



- Drug discovery support: Globally supply and sell cells (mainly iPS cells), culture media and reagents as a set
- Cell therapeutics (utilizing iPS cell technology and know-how): Accelerate the development of therapeutics with alliance partners and promote contract development and manufacturing services
- Strengthen the supply and customer support capabilities for cell culture media with three production sites: the United States, Europe and Japan
- With the acquisition in March 2022 of U.S.-based Shenandoah Biotechnology, which develops, manufactures and sells cytokines, we will further strengthen our R&D and customer consulting capabilities in the cell culture-related market to complement our existing products.

Pharmaceutical Business

Help further develop the pharmaceutical industry by utilizing our unique Drug Delivery System (DDS) technology, manufacturing facilities and infrastructure.



Business Strategies

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

Consumer Healthcare

(Cosmetics, supplements)

Offer highly distinctive products that address broader needs and contribute to people's beauty and health.



Business Strategies

- Cosmetics: Enhance the value of the ASTALIFT brand by applying liposome technology to cosmetics and otherwise developing highly original and functional products; launch a new skincare brand that utilizes ASTALIFT technology to meet a wide range of ages and needs.
- Supplements: Respond to growing needs to maintain and improve health, focusing on our MetabARRIER series of functional products.

Future Initiatives

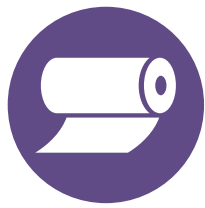
- | | |
|---------------------|--|
| Bio CDMO | Accelerate business growth by leveraging our strengths in the contract development of production processes for a wide range of biopharmaceuticals (including antibody drugs, protein products and vaccines), as well as contract manufacturing (small- to large-scale) from drug substances to drug formulation and packaging. |
| Life Sciences | Accelerate global business expansion with a broad lineup of products, covering not only culture media but also cells (mainly iPS cells) and reagents (including cytokines), and comprehensive proposal capabilities. |
| Pharmaceuticals | Promote contract manufacturing of penicillin and other antibiotics while leveraging our lipid nanoparticulate manufacturing facilities and infrastructure to build a process development and contract manufacture business for nucleic acid drugs and mRNA vaccines. |
| Consumer Healthcare | Contribute to the enhancement of people's beauty and health by expanding our lineups of both cosmetics and supplements and strengthening our sales capabilities through e-commerce and physical stores. Contribute to resolving medical issues by providing cutting-edge products and services across all areas (prevention, diagnosis and treatment) on a global basis as a world-leading healthcare company. |

TOPICS

Aiming to accelerate the growth of its contract biopharmaceutical development and manufacturing business, FUJIFILM Diosynth Biotechnologies (FDB), the core company of the Group's Bio CDMO business, launched contract services for the process development of gene therapeutics in Boston, United States, in May 2022, having previously done so at its Texas and U.K. sites. In June 2022, FDB decided to make large-scale investments totaling approximately ¥200 billion in its facilities in Denmark and Texas to increase production capacity for antibody drugs, which account for a large share of the biopharmaceutical market. At its Danish facility, FDB will install eight additional 20,000-liter culture tanks, enabling it to start production in the shortest possible time. By 2026, it plans to have 20 such tanks in Denmark and 28 worldwide. This investment will significantly increase the total capacity of its culture tanks by 3.7 times, to approximately 660,000 liters from the current level of around 180,000 liters. FDB also introduced the industry's first

commercial continuous production system, which enables the integrated production of APIs, from culture to purification, at its Texas facility (following its introduction in the United Kingdom). It will aim for early commercialization by not only collaborating with customers to develop new drugs but also working with regulatory authorities. FDB's goal is to create a global market for contract manufacturing using continuous production systems.

Targeting a wide range of biopharmaceuticals, we will accelerate business growth by leveraging our strengths in the contract development of production processes, as well as contract manufacturing (small- to large-scale) from drug substances to drug formulation and packaging. By also supporting customers through the stable supply of high-quality biopharmaceuticals, we will help resolve social issues, including by addressing unmet medical needs and further developing the healthcare industry.



Strategies by Business Segment

Materials

Business activities

Relevant materiality



In the Materials segment, we provide advanced materials for communication devices, sensors and next-generation displays that support people's lives in the age of AI and IoT as well as graphic communication products and services. It consists of seven businesses: Electronic Materials, Display Materials, Industrial Products, Fine Chemicals, Recording Media, Graphic Communication and Inkjet.

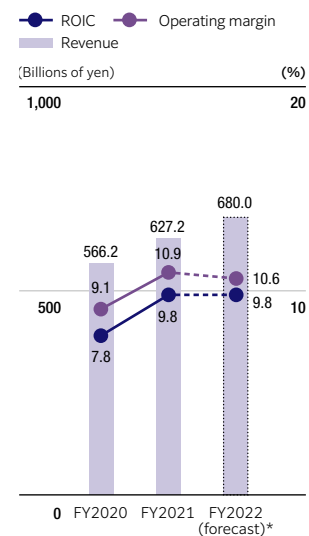
Market Conditions and Social Issues

Amid growing demand for semiconductors due to the spread of 5G, autonomous driving and the acceleration of DX, we need to address the challenges of developing materials for higher-performance semiconductors and reinforcing our supply chain to ensure stable supplies. In addition, functional materials for displays and other devices are finding new applications such as in-vehicle products. By developing and offering cutting-edge functional materials, we will help create a safe and secure society in the DX era.

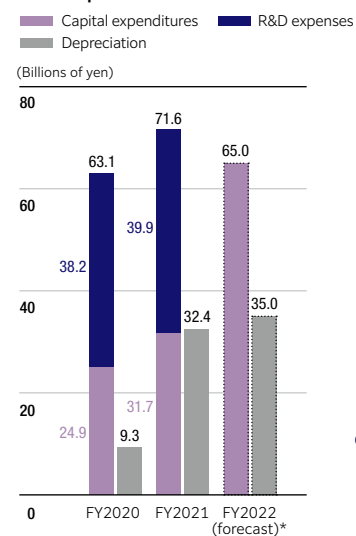
Competitive Advantages

- Advanced technologies, such as functional molecular technology for imparting high functionality to film
- Advanced film forming and coating technologies to support advances in thinness and display size
- Cost competitiveness and stable supply
- Rapid and accurate product formulation capabilities and development capabilities, and global production systems

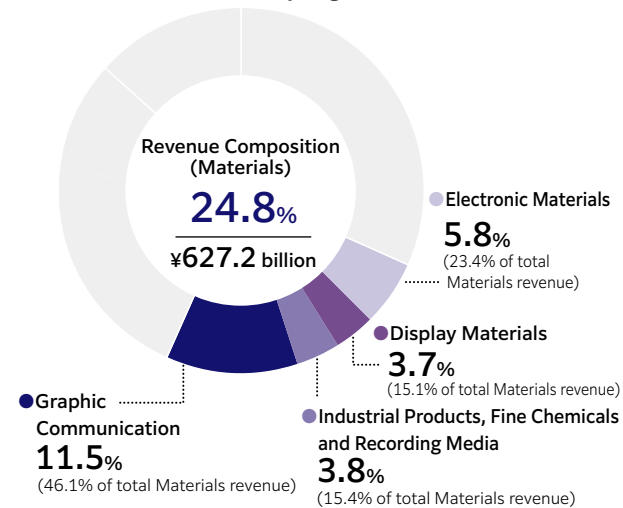
Segment results



Capital expenditures, R&D expenses and depreciation



Sales Ratio by Segment (FY2021)



*The forecasts were announced on September 30, 2022. Note: R&D expense forecasts are not disclosed by segment.

Risks and Opportunities

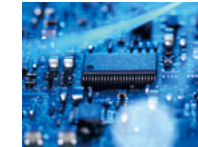
Demand is growing for display-related materials and materials for OLED in applications other than TVs and monitors, such as in-vehicle devices. In addition, the spread of 5G and autonomous driving is expanding the semiconductor market, leading to increased business opportunities for semiconductor-related materials. On the other hand, we recognize risks, such as surging raw material costs due to soaring resource prices and intensifying competition from alternative materials due to the development and commercialization of new technologies.

Growth Strategy

We will continue creating new businesses that foster acceleration of DX in various fields, including by developing 5G and other high-speed communication networks and enhancing the functionality of our sensors and communication devices, and by integrating the optical wavelength control and other technologies cultivated in our various businesses. We will also increase revenue

and profits by maintaining our current competitive advantages and rapidly introducing highly profitable products that meet market needs. In Graphic Communication, in June 2022 we acquired UNIGRAPHICA AG, a leading European system integrator with strengths in providing customized inkjet systems, with the aim of further expanding our inkjet business in Europe.

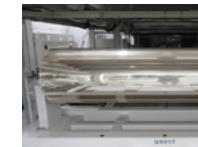
Electronic Materials



Business Strategies

- Offer total solutions to solve customer issues by combining our technologies with a wide range of advanced materials that enable semiconductor miniaturization and 3D packaging, including front-end process materials such as photoresist and CMP slurry, as well as polyimide for insulating layers for 3D packaging.
- Contribute to increases in the pixelization, sensitivity and functionality of image sensors through the development of Wave Control Mosaic (WCM) materials for controlling wider wavelength light.
- Strengthen our supply system through aggressive capital investment in our global production facilities.

Display Materials



Business Strategies

- Maintain a high market share for OLED materials.
- Maintain a strong market position in TAC film for LCD panels.
- Develop and introduce differentiated products by leveraging our strengths in thin and multilayer coating.
- Expand our business in materials for new applications, such as in-vehicle displays.

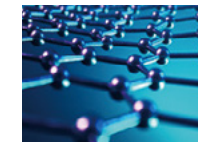
Industrial Products



Business Strategies

- Increase sales of advanced material products utilizing our proprietary technologies, such as EXCLEAR sensor film for touch panels.
- Create new businesses (optical sensors, telecommunication-related materials, etc.).

Fine Chemicals



Business Strategies

- Create new businesses (high-performance polymers, functional colorants battery materials, etc.) in such high-growth fields as life sciences, electronics, the environment and energy.
- Help reduce environmental impacts by deploying "flow synthesis" and other innovative manufacturing processes.

Recording Media



Business Strategies

- Increase sales of storage tapes to support data growth in the 5G/AI era.
 - Leverage our ability to achieve low power consumption during data storage (95% reduction in CO₂ emissions compared to HDD) to help create a clean digital society.
- Source: "Improving Information Technology Sustainability with Modern Tape Storage" (Brad Johns Consulting, LLC)

Graphic Communication



Business Strategies

- Digital Printing: Accelerate global expansion of digital printing presses mainly in the commercial printing domain and provide various DX solutions for brand owners and the printing industry by deploying synergies from the integration of FUJIFILM Corporation and FUJIFILM Business Innovation Corp.
- Analog Printing: Help reduce environmental impacts by shifting from treated to non-treated offset printing plates (currently under way).

Inkjet



Business Strategies

- Growth markets (commercial printing/packaging): Develop, introduce and expand high-precision, high-productivity inkjet printer heads, food-safe water-based pigment inks, and custom systems combining heads and inks to meet customer requirements.

Future Initiatives

Spearheaded by our Advanced Materials Strategy Headquarters, newly established in October 2021, we will reinforce collaboration between businesses to develop new businesses and build a strong business portfolio in advanced materials from a medium- to long-term perspective. In Graphic Communication, we established the Graphic Communication Division in July 2021 to accelerate the creation of synergies within the Group and provide more value to customers on a global basis.



Strategies by Business Segment

Business Innovation

Business activities

Relevant materiality



The Business Innovation segment consists of the Office Solutions business, which provides office equipment and supplies, such as multifunction devices and printers, and the Business Solutions business, which helps customers address their business challenges through DX and work-style innovation by providing system integration, cloud services, multifunction device management solutions and BPO* for core business processes.

* Business process outsourcing

Market Conditions and Social Issues

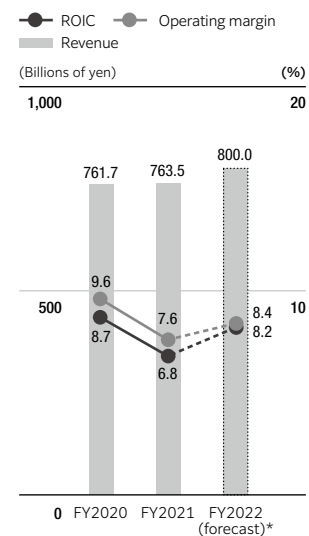
In fiscal 2021, the business environment remained challenging due to the slow recovery of print volumes for multifunction devices and printers stemming from COVID-19, as well as tight supply-demand conditions for semiconductor components and global logistics disruptions. Assuming the market recovers from COVID-19, in fiscal 2022 we expect our print volume to exceed that of the previous year, especially in the domestic market. Meanwhile, the establishment of remote work and other new work styles, as well as the digitization of business processes, has led to new demands for solutions and services, enabling us to provide new value to our customers.

Competitive Advantages

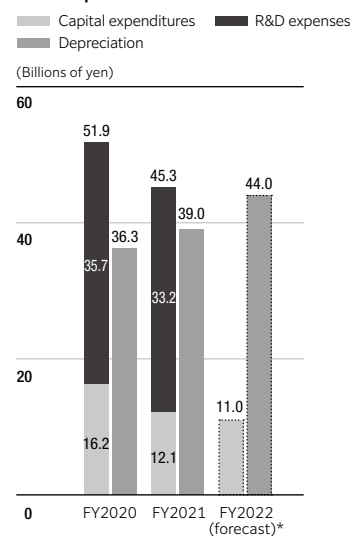
- Excellent customer base leveraging a robust direct sales structure in Japan and the Asia-Pacific region
- Solid sales capabilities for helping customers resolve increasingly complex and diverse management issues, a lineup of solutions and services for problem solving, and proprietary document-related technologies to support these offerings
- Strong relationships of trust with a wide range of customers, from major markets to the SMB* market, through our multifunction device and printer business

* Small to medium-size business

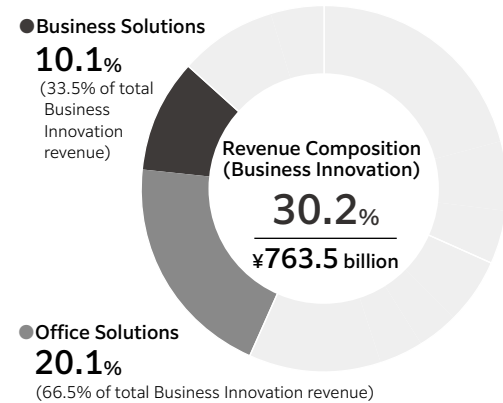
Segment results



Capital expenditures, R&D expenses and depreciation



Sales Ratio by Segment (FY2021)



*The forecasts were announced on September 30, 2022.
 Note: R&D expense forecasts are not disclosed by segment.

Risks and Opportunities

Office print volumes have been on a long-term downtrend due to the establishment of new work styles, such as remote work, and the digitization of business processes. At the same time, changes in the business environment are creating new demands, including for networks with enhanced security and solutions and services that address the decentralization of working locations. We will continue providing solutions and services that bring innovation to business, offering work styles that help workers improve their productivity and demonstrate their creativity.

Growth Strategy

FUJIFILM Business Innovation Corp., which assumed its new name in April 2021, promotes mutual use of common platforms and technology assets with FUJIFILM Corporation and strives to achieve rapid and efficient development and production, as well as global business expansion. In July 2022, we established the Device Technology Division as a new organization responsible for the overall strategic planning and promotion functions of multifunction devices and printers, including research and development. We will swiftly develop competitive multifunction

devices and printers that meet market needs and promote global expansion, including OEM supply. At the same time, the new Business Solution and Service Division will integrate the overall strategic planning and promotion functions of the solutions and services and BPO businesses. Going forward, we will continue providing solutions and services that contribute to our customers DX efforts in order to accelerate overseas expansion and grow Business Solutions into the core business of the Business Innovation segment.

Accelerate growth by strengthening solutions and services.

By providing solutions and services tailored to customer needs, we will support their efforts to reform work styles and promote DX.

01

Improve business productivity using multifunction devices as a gateway

Enhance document management and cloud collaboration (DocuWorks/Working Folder/coordination with other companies' cloud services) using multifunction devices with robust security as a gateway.



02

Expand IT services for SMB customers

Offer complete IT services (IT Expert Service/beat/Multi-vendor Service, etc.) for SMB customers facing problems, such as having only one person handling IT* or issues with IT implementation delays and productivity.



03

Resolve management issues through work-style reforms and digitalization

Accelerate support for customer work-style reforms and DX, starting from the digitization of paper documents (one-stop data utilization services/CocoDesk/netprint service/Microsoft Dynamics 365/Bridge DX Library, etc.).



* The problem of companies not being able to properly manage IT because their information systems department consists of just one person, or because of an inability to secure someone to be in charge.

Future Initiatives

We are determined to be our customers' partner in driving business innovations by creating innovative ways to work through the use of diverse digital services. To this end, we will accelerate efforts, including organizational restructuring and pursuit of M&A opportunities, to strengthen our DX support solutions and services, a pillar of growth. We will also expedite the global development of multifunction devices and printers to strengthen our revenue base while at the same time developing digital human resources and dramatically increasing business productivity through business DX.



Strategies by Business Segment

Imaging

Business activities

Relevant materiality



The Imaging segment consists of two businesses: Consumer Imaging and Professional Imaging. In the Consumer Imaging business, we offer everything from color film and instant photo systems to printing equipment, color paper and photo printing services. In the Professional Imaging business, we offer high-end mirrorless digital cameras (such as the GFX series, which deliver the ultimate in image quality, and the compact, lightweight, high image quality X series), broadcast and cinema lenses, long range surveillance camera and machine vision lenses, projectors and digital signage.

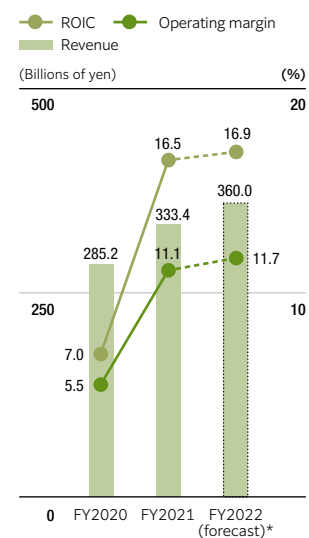
Market Conditions and Social Issues

In fiscal 2021, demand for instant photo systems, digital cameras and photo prints rebounded significantly on the back of the economic recovery from COVID-19 and the deep-seated need for photography and imaging. Based on our desire to “create the future of imaging,” we will provide high-value-added products, services and solutions. Our aim is to help enrich lives by bringing the joy and excitement of photography and imaging to people around the world and strengthening the bonds between people through photography and imaging.

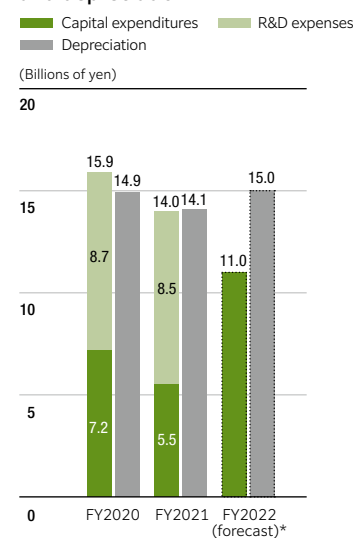
Competitive Advantages

- Technological development capabilities to continuously create distinctive products
- Advanced technologies (photosensitive materials, optics, image design, precision processing and assembly) to support our unique products
- Product planning capabilities to anticipate user needs
- Comprehensive capabilities to provide services from input (photography) to output (printing)
- Strong market position as a leading company (global brand power and solid marketing and sales capabilities)

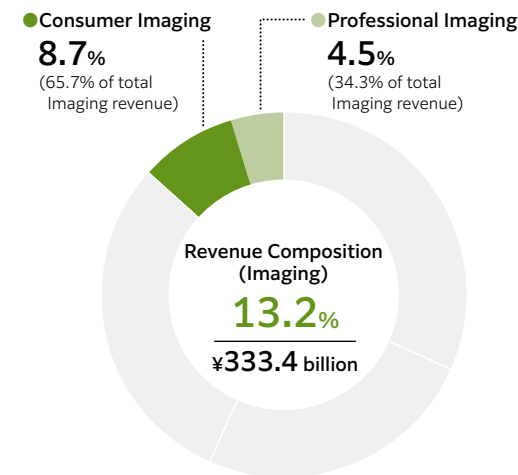
Segment results



Capital expenditures, R&D expenses and depreciation



Sales Ratio by Segment (FY2021)



*The forecasts were announced on September 30, 2022.
Note: R&D expense forecasts are not disclosed by segment.

Risks and Opportunities

The spread of smartphones has led to an increase in the number of images taken, while demand for printing services and instant photo systems is growing and demand for lenses is rising on the back of emerging IoT technologies and the shift to 4K and 8K video, resulting in more and more business opportunities. We also recognize various risks. These include intensifying competition in the high-end mirrorless digital camera market, stiff competition in the high-performance industrial lens market due to technological advances and the improving camera performance of smartphones.

Growth Strategy

We will expand our Imaging segment by introducing attractive new products such as instant photo systems and mirrorless digital cameras, revitalizing photo printing demand through our “Print Days” campaign to communicate the value of photo printing, and expanding into new B-to-B fields such as projectors and surveillance cameras. Many of our products have earned high praise in the market. These include the INSTAX mini Link 2” smartphone printer, which is equipped with new

functions such as the “instaxAiR” spatial drawing function that utilizes augmented reality (AR) technology. We also offer digital cameras with excellent color reproduction that are lighter and more compact than before thanks to key devices and proprietary image design technologies developed in-house. Going forward, we will accelerate the creation of new products and services in the video and photo content business and the imaging/image processing solutions business.



Consumer Imaging

Business Strategies

- INSTAX instant photo systems: Introduce various new products and apps and promote cross-industry cooperation to provide different ways to enjoy INSTAX and expand its user base.
- Expand environmentally friendly dry systems (inkjet, xerography, etc.) to meet strong smartphone printing demand.

Professional Imaging

Business Strategies

- Roll out the GFX series and the X series of high-end mirrorless digital cameras that are compact and lightweight and deliver outstanding image quality with our proprietary color reproduction technology.
- Monitoring, measurement and digital signage: Promote the image/video solutions business



TOPICS

Expanding the production line for instant camera “INSTAX” film

To meet growing demand for instant photo system film, we will invest approximately ¥2 billion in the Kanagawa Plant Ashigara Site to add a production line for instant camera “INSTAX” film that is scheduled to start operation in the fall of 2022. Increasing overall demand for instant photo systems, including strong demand for our top-of-the-line INSTAX mini Evo launched in December 2021, has led to growth in film shipments. As a result, the Imaging segment posted a significant year-on-year jump in revenue in fiscal 2021. By expanding our facility through the aforementioned investment, we will increase our INSTAX film production capacity by up to 20%.

Future Initiatives

Going forward, we will create and deliver added value through the market launch of new products and services, such as INSTAX, that utilize the latest imaging technologies, including augmented reality (AR), as well as digital cameras with improved AF and video performance using AI technology. In the business solutions field, where we provide long range surveillance cameras and infrastructure image inspection solutions, we will help create a safe and secure society through products equipped with technologies for “seeing and finding the invisible.”