

Strategies by Business Segment



Healthcare



Business Environment

Opportunities

The aging of society is increasing medical expenses, and at the same time, harsh working conditions in the medical field driven by a shortage of medical personnel are becoming apparent. In addition, there are many diseases for which effective treatments have yet to be established, such as cancer, rare diseases and new infectious diseases. Biopharmaceuticals, which have few side effects and are expected to be highly effective, have been attracting attention in recent years as a means of treating and preventing these diseases. They have grown to account for approximately 30% of the global pharmaceutical market, and the market size of the CDMO business, which develops production processes and contracts out manufacturing, continues to expand at an annual rate of approximately 10%.

Risks

Unforeseeable large-scale changes in medical administration policies due to healthcare system reforms, tighter laws and regulations affecting medical devices, the postponement or cancellation of new drug development by pharmaceutical companies and changes in the business environment as the difficulty of drug discovery increases, and intensifying competition in the biopharmaceutical process development and contract manufacturing market because of technological innovation are recognized as risks.

Competitive advantages

- Image processing and AI 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 with superior quality control utilized in the process development and manufacturing of biopharmaceuticals
- World-leading iPS cell initialization and differentiation induction technology and culture medium development capabilities

Business Activities

Our Healthcare segment consists of Medical Systems, which includes medical IT and equipment, and Life Sciences, which includes the Bio CDMO business*¹, Life Sciences business, Pharmaceutical business, Consumer Healthcare business, and the CRO Business Development Office that was established in April 2023. In the life sciences field, we have positioned CDMO and drug discovery support as priority businesses.

No. 1
share of the global market for medical imaging information systems*²

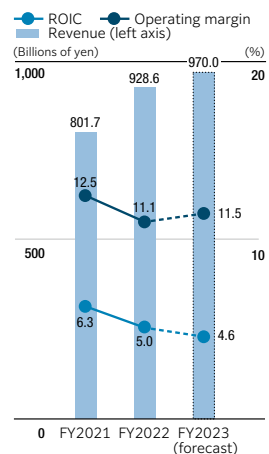


Medical-use PACS
SYNAPSE

*1 Abbreviation for Contract Development & Manufacturing Organization. These are companies offering services to pharmaceutical companies ranging from cell line development in the early stages of drug development, stability testing, and development and manufacturing of clinical trial drugs to commercial drug manufacturing.

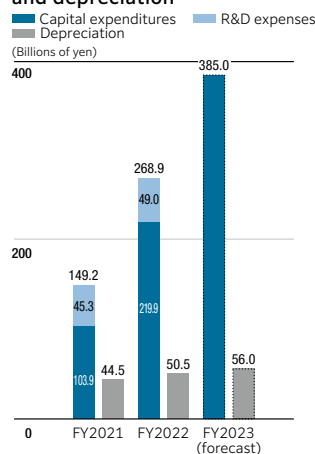
*2 According to a survey by Signify Research.

Segment results

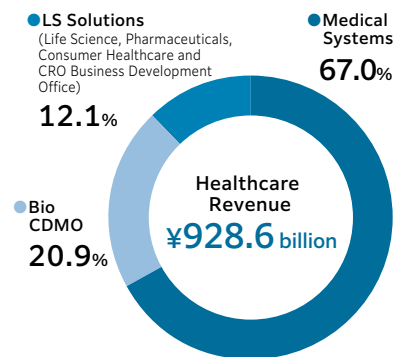


Notes:
1. R&D expenses forecasts are not disclosed by segment.
2. ROIC for FY2023 is based on the initial full-year forecast (announced in May 2023).

Capital expenditures, R&D expenses and depreciation



Revenue ratio by segment (FY2022)



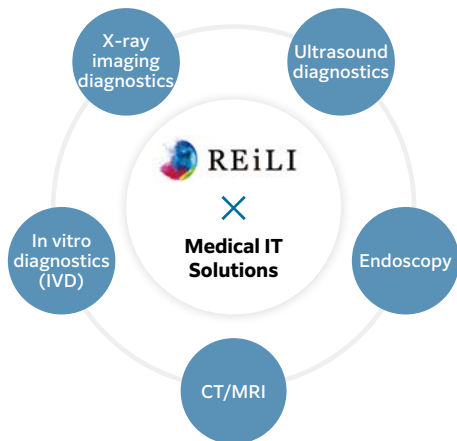
Note: From FY2023, the amounts for revenue and operating income from the non-destructive testing business have been reclassified from the Materials segment to the Healthcare segment. The information for FY2022 has been restated to reflect this reclassification.

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.), for which the 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 screening that utilizes a portable X-ray imaging device.



Business Strategies

Medical Systems

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

- Under the AI technology brand “REiLI,” drive the development of IT and AI technologies that provide new value to medical professionals along four axes: high image quality, organ segmentation, computer-aided diagnosis and improved workflow efficiency
- Create synergies in sales and development with FUJIFILM Healthcare
- Expand the diagnostic solutions business in the endoscopy business
- Engage in full-scale development of “SYNAPSE Creative Space,” a cloud-based AI technology development support service
- Launch the INNOMUSE brand of women’s health solutions to support women facing health challenges at various life stages with a broad portfolio of solutions

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													

TOPICS Launch of the women’s health solution brand INNOMUSE

The Fujifilm Group is strengthening its solution proposals for breast cancer screening and other breast imaging areas. Here, we combine a wide range of offerings, including digital radiography systems, medical IT, diagnostic ultrasound systems and MRI systems, to meet the needs of medical practices. We are also accelerating the development of products that combine the Group’s technologies to provide higher-value-added solutions. In the future, these efforts will be expanded from the breast imaging area to the area of women’s healthcare (women’s health), including obstetric and gynecological examinations and bone density testing. We will implement a broad rollout of solutions under the brand name “INNOMUSE” to help maintain and advance women’s health.

Life Sciences

Growth Strategy

We will continue to make capital investments in the Bio CDMO and Life Sciences businesses, which are expected to achieve high growth over the medium- to long-term, and aim to expand our business by providing one-stop value as a company that supports the creation of cutting-edge biopharmaceutical products.

Business Strategies

Bio CDMO



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

- Further expand our contract manufacturing business in cutting-edge therapeutics by adding gene therapies, which are being strengthened at our sites in Texas and Boston in the United States and the United Kingdom, and cell therapeutics, which were launched at our California site, to the antibody drugs for which production capacity is being increased at our sites in Europe and the United States.
- Establish FUJIFILM Diosynth Biotechnologies Japan. Expand the contract development and manufacturing business for biopharmaceuticals in the growing Japanese and Asian markets in cooperation with FUJIFILM Diosynth Biotechnologies (FDB), which has accumulated a large track record of contract manufacturing mainly in Europe and the United States.
- 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 "one-stop service offerings" including process development, drug substance manufacturing, fill/finish, assembly, labeling and packaging, from small-scale to large-scale production.

Business Strategies

Life Sciences

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



To support the pharmaceutical industry through aggressive business development in the biomedical field.

- Drug discovery support: Globally supply and sell cells (mainly iPS cells), culture media, cytokines 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 under a global production system that includes the United States, Europe and Japan



Pharmaceutical



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

- Promote liposomal formulation development using our nano-dispersion, analysis and process technologies.
- Use our lipid nanoparticulate manufacturing facilities and infrastructure to build a process development and contract manufacturing business for antibiotics such as penicillin and next-generation nucleic acid drugs and mRNA vaccines.
- The decision to establish Japan's first Bio CDMO site in Toyama Prefecture will accelerate business growth by introducing a dual-use facility that can produce biopharmaceuticals to meet customer needs in normal times and switch to vaccine production in the event of a pandemic. It will also play a role in the Japanese government's initiative to strengthen domestic vaccine production.

Business Strategies

Consumer Healthcare

(Cosmetics, supplements)

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

- Cosmetics: Develop highly original and functional products such as launching the ASTALIFT the Serum series by applying liposome technology to cosmetics and enhancing the value of the ASTALIFT brand to meet a wide range of needs.
- Supplements: Respond to growing needs to maintain and improve health, focusing on our MetabARRIER series of functional foods.



TOPICS Full-scale entry into the drug discovery support CRO business

In recent years, pharmaceutical companies and bio-ventures have increasingly collaborated with the Contract Research Organization* (CRO), which possesses advanced analytical technologies and expertise from the early stages of research and development, aiming to improve the probability of success in new drug development and the efficiency of the drug discovery process. To accelerate business growth in the life sciences field, we have established the CRO Business Development Office under the Life Sciences Strategy Headquarters, which promotes overall strategies across the Life Sciences business, and are entering the drug discovery support CRO business in earnest. The Office will formulate the overall strategy for the drug discovery support CRO business. We will first develop a drug discovery support CRO business in Japan by combining the resources of our Group companies, including the Bio Science & Engineering Laboratories, which conducts research and development of biotechnology; FUJIFILM Toyama Chemical, which has rich knowledge of drug discovery; and FUJIFILM Wako Pure Chemical, which has a strong domestic sales network built through its reagent business and other business activities.

Specifically, we provide services for efficacy and safety evaluation and mechanism-of-action analysis of drug candidate substances by combining human iPS cell-derived differentiated cells developed and manufactured by FUJIFILM Cellular Dynamics, a leading iPS cell company, and AI (artificial intelligence) technology accumulated through our extensive product development experience. We will respond to customer needs to reduce the number of animal experiments using mice and other animals by taking advantage of the ability to reproduce the effects on the human body and conduct highly accurate evaluation and analysis. We will also be contracted to prepare samples of gene therapeutic drugs and analyze the molecular structures of those drugs. In addition, we will provide drug discovery consulting services, drawing on our knowledge of pharmaceutical research and development, which we have cultivated mainly in the fields of oncology and infectious diseases.

* An organization that provides services such as drug efficacy evaluation and safety testing to support pharmaceutical research and development conducted by pharmaceutical companies, bio-ventures and academia.

Materials

Relevant materiality

Environment Daily Life

Business Activities

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 Electronic Materials, Display Materials, Industrial Products*¹, Fine Chemicals, Graphic Communication and Inkjet.



No. 1
share of the global market in protective film for polarizers*²

No. 1
share of the global market in color resists for image sensors*²

*1 The Recording Media business was merged with the Industrial Products business in April 2023.
*2 According to a survey by Fujifilm

Business Environment

Opportunities

Demand is growing for display-related materials and materials for LCDs and OLEDs in applications other than TVs and monitors, such as in-vehicle devices. In addition, the spread of 5G, autonomous driving and generative AI is expanding the semiconductor market, leading to increased business opportunities for semiconductor-related materials. Moreover, demand for digital printing is growing due to the increase in on-demand printing.

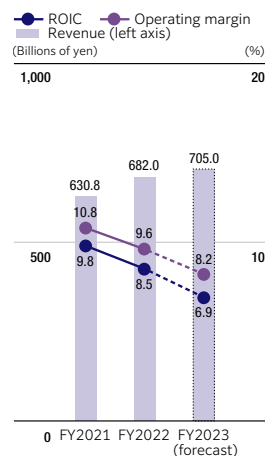
Risks

Surging raw material costs due to soaring resource prices, intensifying competition from alternative materials due to the development and commercialization of new technologies, and lower-than-expected demand in the offset printing market are recognized as risks.

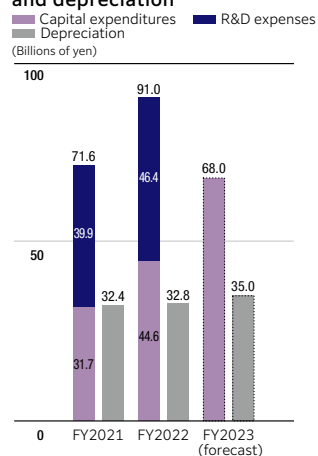
Competitive advantages

- 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 a global production and supply system adjacent to customers

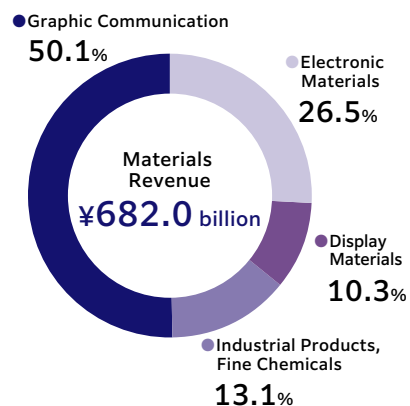
Segment results



Capital expenditures, R&D expenses and depreciation



Revenue ratio by segment (FY2022)



Note: From FY2023, the amounts for revenue and operating income from the non-destructive testing business have been reclassified from the Materials segment to the Healthcare segment. The information for FY2022 has been restated to reflect this reclassification.

Notes:
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2. ROIC for FY2023 is based on the initial full-year forecast (announced in May 2023).

Growth Strategy

Under the Advanced Materials Strategy Headquarters, which serves a cross-divisional strategy-building role in the field of advanced materials, 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. In addition, we will strengthen collaboration under the new organization and structure of the Material Manufacturing Headquarters, which was established on July 1, 2023, and FUJIFILM MATERIAL MANUFACTURING, which was established by integrating five

Business Strategies

Advanced Materials

Electronic Materials



- Offer total solutions to solve customer issues by combining our technologies with a wide range of advanced materials that enable semiconductor miniaturization and higher layering density (e.g., photoresist, CMP slurry, polyimide and process chemicals newly added through acquisitions).
- 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



- 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 and smart glasses.

Industrial Products (including the Recording Media)



- Expand sales of storage tape products to support data growth in the 5G/AI era.
- Increase sales of advanced material products utilizing our proprietary technologies, such as EXCLEAR sensor film for touch panels.
- Create new businesses (e.g., rechargeable batteries/optical sensors/communication-related materials)

Fine Chemicals

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

Graphic Communication

Graphic Communication



- 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.
- Analog Printing: Help reduce environmental impacts by shifting from treated to non-treated offset printing plates (currently under way).

Inkjet



- 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.

domestic production subsidiaries, further improving our manufacturing capabilities by utilizing human resources with a wide range of technologies and skills and application development. In these ways, we will strive to increase revenue and earnings.

In Graphic Communication, we will combine Fujifilm's global customer base, mainly in commercial and package printing, with FUJIFILM Business Innovation's sales, technology and product capabilities. This will expand worldwide sales of on-demand digital printers, provide various types of DX solutions for brand owners and printing companies, and further accelerate improvements to profitability through sales and production streamlining in the area of printing plate materials.

TOPICS Electronic Materials business: Acquisition of semiconductor high purity process chemicals business

On May 10, 2023, FUJIFILM Corporation entered into a share purchase agreement^{*1} to acquire all outstanding shares of CMC Materials KMG Corporation (Headquartered in Texas, the United States; hereinafter "KMG") for \$700 million^{*2}, a group company of U.S.-based Entegris, Inc. that operates a global semiconductor high purity process chemicals (HPPC) business.

HPPCs are used to remove foreign matter in the cleaning and drying processes of semiconductor manufacturing and to remove metals, oils and grease in the etching process^{*3} and are key products for the semiconductor manufacturing process. Today, as semiconductors become more sophisticated, they are becoming finer and more multilayered, and the manufacturing process is becoming more complex. Against this backdrop, the use of HPPCs is increasing at an accelerating rate, and the market for such chemicals is growing at an annual rate of 11%^{*4}.

Through this acquisition, Fujifilm has gained access to KMG's broad range of semiconductor HPPCs. We will enhance our ability to make comprehensive proposals with a product lineup that covers a wide range of semiconductor manufacturing processes to solve customers' manufacturing process issues. In addition to expanding our manufacturing bases in Europe and the United States, the acquisition of a manufacturing base in Southeast Asia, a first for Fujifilm in the semiconductor materials field, will enable us to build an even stronger global manufacturing structure and contribute to the strengthening of our supply chain. Furthermore, by combining KMG's advanced purification technology with Fujifilm's sophisticated R&D and quality assurance capabilities that enable us to develop and manufacture a wide range of semiconductor materials, we will develop and provide semiconductor materials that meet the most advanced needs, such as process chemicals for higher purity semiconductors, thereby facilitating further semiconductor performance gains.

^{*1} The agreement was concluded between Fujifilm and CMC Materials LLC, a subsidiary of Entegris.

^{*2} The acquisition price will be determined by taking into account the cash and cash equivalents, interest-bearing debt and working capital of the target company at the time of completion of the acquisition, and is therefore subject to change. The acquisition is expected to close by the end of 2023, subject to the satisfaction of customary closing conditions.

^{*3} A process in which a semiconductor circuit is formed by transferring a circuit onto a silicon wafer using an exposure device and then using the corrosive action of chemicals to scrape away unnecessary metal films, oxide films and others.

^{*4} Average annual growth rate over five years starting in 2021. Based on a semiconductor materials report by the U.S. research company Linx.



Business Innovation

Relevant materiality



Business Environment

Opportunities

Increased support is needed for building and operating office and IT infrastructure with enhanced security/networking against the backdrop of cyberattack threats and the spread of remote working. Also, there is a growing market for business solutions and services that utilize AI and the cloud for DX to improve office work productivity.

Risks

A decrease in office print volumes due to the spread of remote working and the trend toward paperless solutions are recognized as risks.

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
- Familiarity with business processes in various industries developed through the office solutions business
- Strong relationships of trust with a wide range of customers, from major markets to the SMB*4 market, through our multifunction device and printer business

*4 Small to Medium Size Business

Business Activities

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 and multifunction device management solutions, along with BPO*1 and ITO*2 for core business processes.



Apeos C7070

No. 1
market share by sales volume for A3 color multifunction devices in the Asia-Pacific region*3

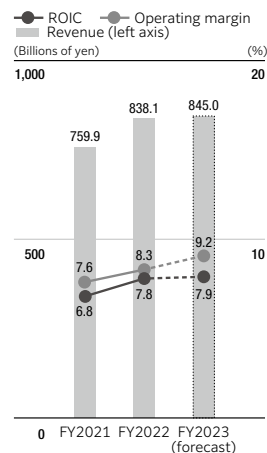
Total number of DocuWorks document handling software licenses worldwide

More than **8 million licenses**

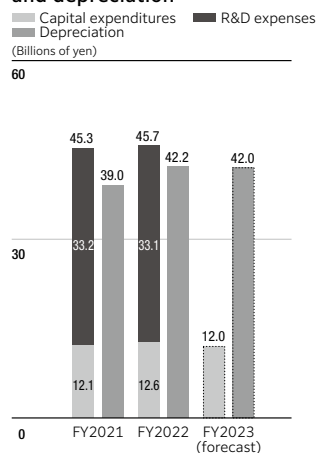
*1 Business Process Outsourcing
*2 IT Outsourcing

*3 According to a survey by FUJIFILM Business Innovation

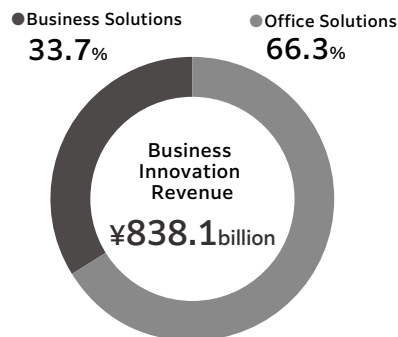
Segment results



Capital expenditures, R&D expenses and depreciation



Revenue ratio by segment (FY2022)



Notes:
1. R&D expenses forecasts are not disclosed by segment.
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Growth Strategy





In the Office Solutions business, we will further promote the expansion of new Fujifilm brand products and the expansion of global sales, including new OEM supply opportunities. In the Business Solutions business, we will accelerate sustainable growth and business portfolio transformation through the expansion of core DX solutions, BPO services to achieve business reform, and ITO services to support the construction and operation of IT infrastructure environments, in addition to expansion of industry and business solutions.

Accelerate growth by strengthening solutions and services.

Value expected by customers
CHX (Customer Happy Experience)

Evolve into an IT service provider
(enhancement of existing solutions and services)

Expand into customer core business support
(new business development)

<p>DX (Digital Transformation) Achieve business transformation through digital technologies</p>	<p>Strengthen in-house solutions</p> 	<p>Evolve to managed services for the entire IT environment through the integration of MPS and ITO</p>	<p>Develop the core solution business</p> 
<p>DX (Digitalization) Improve productivity through the digitization of operations</p>	<p>Expand industry/business solutions</p> 	<p>Full-scale launch of solutions and services in the Asia-Pacific region</p>	<p>Roll out BPO services to achieve business transformation</p> 
<p>DX (Digitization) Improve operational efficiency through the digitization of information</p>	<p>Enhance commercial products through strengthened partnerships</p>		<p>New business development (including M&A)</p>
<p>Utilize MFPs as office infrastructure</p>	<p>Maintain and expand MPS and print solutions</p>		

* **MPS (Managed Print Service):** Services that optimize the office output environment while maintaining and enhancing cost control, security and governance
ITO (IT Outsourcing): Services that support the development of IT strategies as well as IT environments from introduction to operation and management
BPO (Business Process Outsourcing): Services that provide core business process services on behalf of local governments, public institutions and corporations

We will grow as a business innovation partner by providing one-stop DX services to our customers and achieving "CHX" (Customer Happy Experience) that contributes to their success beyond DX.

Evolve into an IT Service Provider

Bridge DX Library

We provide packages of solutions to address business issues tailored to six industries including construction, manufacturing and medical institutions, in addition to issues affecting all industries such as compliance with the Electronic Book Preservation Act, the invoice system and enhanced security. We currently have a lineup of 146 solutions for small and medium-sized companies.

IT Expert Services

These ITO services provide a wide range of support from IT operation and management to improving usage environments. Service options can be flexibly combined according to the customer IT environments, and contracts can be made for as little as one PC.

Expand the support of customers' core businesses

Microsoft Dynamics 365

Based on the concept of "Fit to Standard," we support business transformations that efficiently and effectively adapt the customer's existing business processes to the system to be introduced. We realize speedy implementation by providing business process templates packed with know-how in the cloud using a Business Process as a Service approach.

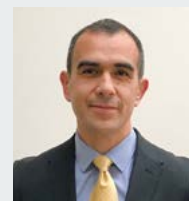
RIPCORD

FUJIFILM RIPCORD utilizes robot technology to digitize large volumes of printed documents at high speed, and extracts and assigns attribute information to each document using OCR. We also facilitate customer DX implementation by providing total support for the construction of data utilization environments.

TOPICS Globally expanding our ERP business

On March 1, 2023, FUJIFILM Business Innovation (FB) acquired Australia-based IT company, MicroChannel Services Pty. Limited. (and its affiliates), and relaunched it under the name FUJIFILM MicroChannel Services (MicroChannel).

MicroChannel's main business is sales and implementation support of mission-critical systems, such as Microsoft Dynamics 365, in the Oceania region. It has a top-class track record in the market for serving small and medium-sized companies. The acquisition marks the full-scale global expansion of FB's ERP business. Going forward, FB will leverage the highly experienced IT personnel and advanced technological capabilities of MicroChannel to expand the value it provides to customers and accelerate the growth of its solutions business, including through collaboration with the Fujifilm Group's existing businesses.



Brett Matthews
FUJIFILM MicroChannel Services Pty Ltd CEO

Message from the CEO of FUJIFILM MicroChannel Services

Our strategic plan is focused on becoming the core of FB's Solution Business and a trusted technology partner for our customers around the world. To this end, we are actively focusing on management integration and realizing our DX strategy. Based on the excellent customer experience built by our group, we will step up the global expansion of our core system sales and support business by providing one-stop services, from implementation to operation of diverse solutions, handled by dedicated teams in each solution field.

Imaging

Relevant materiality

Environment Daily Life

Business Activities

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 (INSTAX) 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 delivers 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.

Instant photo system
Cumulative worldwide sales volume

More than **50 million units**



INSTAX mini 12



New development

Equipped with a high-speed 102-megapixel sensor
FUJIFILM GFX100 II mirrorless digital camera

Business Environment

Opportunities

Demand for events and travel has recovered, and demand for print businesses such as instant photo systems and digital cameras is growing steadily. In addition, business opportunities are expanding due to the growth in demand for lenses resulting from the shift to IoT and 4K/8K video, as well as the growth of the surveillance camera system market due to heightened awareness of crime prevention and disaster preparedness.

Risks

Risks identified include an increasingly competitive environment in the high-end mirrorless digital camera market, declining demand for digital cameras due to the improved capabilities of smartphone cameras, tighter environmental laws and regulations, and confused supply chains due to geopolitical risks.

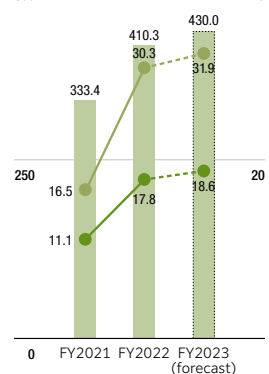
Competitive advantages

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

Segment results

ROIC Operating margin
Revenue (left axis)

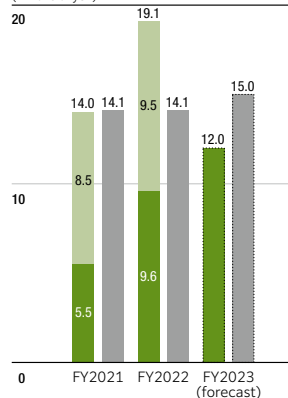
(Billions of yen) (%)



Capital expenditures, R&D expenses and depreciation

Capital expenditures R&D expenses
Depreciation

(Billions of yen)



Revenue ratio by segment (FY2022)

Professional Imaging 35.0% Consumer Imaging 65.0%



Notes:
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2. ROIC for FY2023 is based on the initial full-year forecast (announced in May 2023).

Growth Strategy

Our unique product line, which covers a wide range of imaging areas from input (shooting) to output (printing), has established a strong market position globally. With the INSTAX instant photo system and the GFX/X series of high-end mirrorless digital cameras, we will continue to offer attractive new products backed by cutting-edge technology and create new business areas by developing smartphone applications and proposing business applications. In the print business, including photo printing services, we will steadily respond to the demand for school and wedding photos, which has recovered from the COVID-19 pandemic. At the same time, in collaboration with FUJIFILM Business Innovation, we will develop and introduce toner-based printers with improved image quality for use in photography and focus on expanding the dry printing business. In addition, we will help solve social issues including border surveillance, natural disasters and the remote inspection of infrastructure facilities by expanding into new B-to-B fields, such as projectors and long-range multipurpose cameras and the image inspection solution business, such as Hibimikke (Crack Finder), a social infrastructure image diagnostic service.

Business Strategies

Consumer Imaging



- 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 (e.g., inkjet, xerography) to meet strong smartphone printing demand.

Professional Imaging



- 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 The INSTAX series celebrates its 25th anniversary

The INSTAX instant camera, nicknamed “Cheki” in Japan since its launch in 1998, not only allows users to capture their precious moments and print them on the spot but also serves as a new tool for communication and self-expression. Currently, INSTAX cameras are used by many people, especially the younger generation, in more than 100 countries and regions around the world, including Europe, the United States, China and Southeast Asia.

We have also expanded the user base by adding hybrid cameras that incorporate digital technology and a lineup of smartphone printers that allows users to easily print smartphone images on the spot. In fiscal 2022, we launched two smartphone printers, the INSTAX mini Link 2 and INSTAX SQUARE Link. These new products made a significant contribution to the performance of the Imaging business.

In development, we have worked to accelerate the growth of the overall INSTAX business by shifting from the traditional approach of providing functional value through the sale of goods to the expansion and optimization of usage value through new products and services and new business models driven by DX. In addition, our product planning, design and development teams work together from the initial stages of product planning, which enables us to develop innovative, unique and high-quality products.

As an entertainment brand that provides unique value, we will continue to create new value by combining analog printing and digital technology to offer products and services that facilitate spiritual enrichment and human connections.

A message from an INSTAX mini Link 2 planner

“Cheki” prints are characterized by their analog, physical feel and unique texture, and are a popular tool for unique and real communication particularly among younger generations, including Gen Z. The INSTAX mini Link 2 smartphone printer can easily make “Cheki” prints from images stored on a smartphone, making it a digital product with an analog feel, which is part of its appeal. As the main person in charge of the product planning team, I have been responsible for determining the direction of concepts, specifications and functions, as well as advancing the product toward commercialization. We conducted analyses from various perspectives including market conditions, the features of competing products and the needs of target users, and utilized raw feedback from users to develop a smartphone printer that users can enjoy playing with. We will continue to convey the appeal of our products to satisfy customers.

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