



Financial Results (Consolidated) for the Fiscal Year ended March 31, 2021
FUJIFILM Holdings Corporation

Kenji Sukeno

President and Chief Operating Officer

Date of annual shareholders' meeting: June 29, 2021

Projected date of annual securities report: June 30, 2021

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

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

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

May 12, 2021

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

Projected date of the beginning of cash dividends: June 30, 2021

1. Results of the Fiscal Year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen
 %: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings	
		%		%		%		%
Year ended March 31, 2021	2,192,519	(5.3)	165,473	(11.3)	235,870	36.3	181,205	45.0
Year ended March 31, 2020	2,315,141	(4.8)	186,570	(11.1)	173,071	(18.7)	124,987	(9.5)

Note: Comprehensive income

Year ended March 31, 2021 ¥ 296,226 million (235.5%)

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

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)	Return on FUJIFILM Holdings shareholders' equity	Ratio of income before income taxes to total assets	Ratio of operating income to revenue
	Yen	Yen	%	%	%
Year ended March 31, 2021	453.28	451.75	8.7	6.9	7.5
Year ended March 31, 2020	306.18	305.22	6.3	5.1	8.1

(Ref) Equity in net earnings of affiliated companies

Year ended March 31, 2021 ¥ 3,198 million

Year ended March 31, 2020 ¥ 1,341 million

(2) FINANCIAL POSITION

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

	Total assets	Total equity (Net asset)	FUJIFILM Holdings shareholders' equity	FUJIFILM Holdings shareholders' equity ratio to total assets	FUJIFILM Holdings shareholders' equity per share
				%	Yen
Year ended March 31, 2021	3,549,203	2,222,157	2,204,566	62.1	5,514.14
Year ended March 31, 2020	3,321,692	1,993,757	1,953,252	58.8	4,886.66

(3) CASH FLOWS

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

	Net Cash provided by Operating Activities	Net Cash used in Investing Activities	Net Cash used in Financing Activities	Cash and Cash Equivalents at the end of year
Year ended March 31, 2021	420,861	(279,381)	(163,093)	394,795
Year ended March 31, 2020	255,667	(244,850)	(250,943)	396,091

2. Cash Dividend

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

	Cash dividend per share					Total cash dividends	Consolidated payout ratio	Ratio of cash dividends to shareholders' equity
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total			
	Yen	Yen	Yen	Yen	Yen		%	%
Year ended March 31, 2020	-	47.50	-	47.50	95.00	38,432	31.0	1.9
Year ended March 31, 2021	-	47.50	-	52.50	100.00	39,979	22.1	1.9
Year ending March 31, 2022 (Forecast)	-	50.00	-	50.00	100.00		30.8	

3. Forecast for the Fiscal Year ending March 31, 2022 (From April 1, 2021 to March 31, 2022)

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded off to the nearest million yen
%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Income before income taxes		Net income attributable to FUJIFILM Holdings		Net income attributable to FUJIFILM Holdings per share
		%		%		%		%	Yen
For the Year ending March 31, 2022	2,440,000	11.3	180,000	8.8	185,000	(21.6)	130,000	(28.3)	325.16

Note: Changes in forecast which was recently announced: Yes

Note: Net income attributable to FUJIFILM Holdings per share is calculated using the number of shares issued as of March 31, 2021 excluding treasury shares for the average number of shares for the relevant period.

Notes

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

(Company newly consolidated or removed from consolidation): Yes

(2) Changes in accounting principles

- Changes in accounting policies accompanying amendment of accounting standards: None
- Other changes in accounting policies: None

(3) Number of shares outstanding

- Issued (including treasury stock):
- Treasury stock:
- Average number of shares:

As of March 31, 2021	514,625,728	As of March 31, 2020	514,625,728
As of March 31, 2021	114,823,247	As of March 31, 2020	114,914,288
Year ended March 31, 2021	399,762,945	Year ended March 31, 2020	408,215,110

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

Results of the Fiscal Year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)

(1) OPERATING RESULTS

Amount Unit: Millions of yen unless otherwise specified / Figures are rounded down to the nearest million yen
%: Changes from the corresponding period of the previous fiscal year

	Revenue		Operating income		Ordinary income		Net income	
		%		%		%		%
Year ended March 31, 2021	30,995	(48.7)	24,907	(54.8)	26,584	(89.0)	26,234	(89.7)
Year ended March 31, 2020	60,391	(16.6)	55,108	(17.6)	240,630	270.3	254,448	290.0

	Net income per share of common stock	Net income per share of common stock (Assuming full dilution)
	Yen	Yen
Year ended March 31, 2021	65.62	65.39
Year ended March 31, 2020	623.32	621.27

(2) FINANCIAL POSITION

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

	Total assets	Net assets	Net asset ratio to total assets	Net assets per share of common stock
			%	Yen
Year ended March 31, 2021	1,741,422	1,252,676	70.7	3,121.03
Year ended March 31, 2020	1,852,948	1,251,907	67.1	3,121.02

(Reference) Shareholders' equity

Year ended March 31, 2021 ¥ 1,231,604 million

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

Disclosure regarding the status of the year-end audit process

These Financial Results (Consolidated) for the Fiscal Year ended March 31, 2019 are out of scope for the year-end audit procedure by certified public accountants or audit firm.

Explanation of Appropriate Use of Forecast and Other Special Items

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, 2022 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, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
					Amount	%
Domestic revenue	42.3%	927.9	43.4%	1,004.0	(76.1)	(7.6)
Overseas revenue	57.7%	1,264.6	56.6%	1,311.1	(46.5)	(3.5)
Revenue	100.0%	2,192.5	100.0%	2,315.1	(122.6)	(5.3)
Operating income	7.5%	165.5	8.1%	186.6	(21.1)	(11.3)
Income before income taxes	10.8%	235.9	7.5%	173.1	62.8	36.3
Net income attributable to FUJIFILM Holdings	8.3%	181.2	5.4%	125.0	56.2	45.0
Exchange rates (Yen / US\$)		¥106		¥109		(¥3)
Exchange rates (Yen / Euro)		¥124		¥121		¥3

In the fiscal year ended March 31, 2021, the Fujifilm Group (the Group) recorded ¥2,192.5 billion in consolidated revenue (down 5.3% year-over-year), reflecting such factors as sales increases in the bio CDMO business, pharmaceutical business, and electronic materials business, and sales decreases in the photo imaging business, optical device and electronic imaging business, and document business.

Operating income decreased to ¥165.5 billion (down 11.3% year-over-year). Consolidated income before income taxes amounted to ¥235.9 billion (up 36.3% year-over-year) and consolidated net income attributable to FUJIFILM Holdings totaled ¥181.2 billion (up 45.0% year-over-year). The effective currency exchange rates for the U.S. dollar and the euro against the yen during this fiscal year were ¥106 and ¥124, respectively.

Revenue by Operating Segment

Amount Unit: Billions of yen

Segment	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020	Change	
			Amount	%
Imaging Solutions	285.2	332.6	(47.4)	(14.2)
Healthcare & Material Solutions	1,052.6	1,024.2	28.4	2.8
Document Solutions	854.7	958.3	(103.6)	(10.8)
Consolidated Total	2,192.5	2,315.1	(122.6)	(5.3)

Operating Income by Operating Segment

Amount Unit: Billions of yen

Segment	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020	Change	
			Amount	%
Imaging Solutions	15.6	25.1	(9.5)	(37.8)
Healthcare & Material Solutions	107.5	92.4	15.1	16.3
Document Solutions	73.3	105.0	(31.7)	(30.2)
Corporate Expenses and Eliminations	(30.9)	(35.9)	5.0	-
Consolidated Total	165.5	186.6	(21.1)	(11.3)

Imaging Solutions

In the Imaging Solutions segment, consolidated revenue amounted to ¥285.2 billion (down 14.2% year-over-year).

Consolidated operating income amounted to ¥15.6 billion (down 37.8% year-over-year).

In the photo imaging business, revenue decreased due to the impact of voluntary restraint and cancellation of events resulting from the spread of the COVID-19 pandemic, but sales of instant photo systems, which enable users to enjoy on-the-spot printing of photos, increased year-over-year in the second half. Sales of instant photo systems recovered mainly in Europe, the U.S., and China as we strengthened online sales by using social media to promote a new way of enjoying time at home. Sales of the *instax mini Link*, a printer for smartphones, and the *instax mini II* instant camera were favorable, and the *instax SQUARE SQ1*, an entry model launched in November 2020 compatible with the popular square format film also contributed to higher revenue. For print services, new personalized features were added to the *Year Album*, a photo book service, in April 2020, enabling automatic selection and layout of photos according to individual interests and preferences through the use of AI technology, which have been well received by users. We will continue meeting increasingly diverse customer needs and offering user-friendly, high-value added products and services, while also communicating to the world the intrinsic photographic values of “shooting, preserving, displaying, and gifting.”

In the optical device and electronic imaging business, revenue from the electronic imaging field, which decreased in the first half due to reduced demand stemming from the COVID-19 pandemic, recovered in the second half to rise above the level of last year. The *FUJIFILM X-S10* mirrorless digital camera, launched in November 2020, has been well received for its powerful image stabilization and large grip despite its compact size, and it has contributed to the expansion of the X mount user base. Sales of the *FUJIFILM GFX100S*, released in February 2021 together with the *FUJINON Lens GF80mm F1.7 R WR*, exceeded expectations, having gained a high reputation worldwide for its superior image quality using a large format sensor despite its compact body. Going forward, we will continue providing value-added products and revitalizing the market, along with providing the pleasure of taking photos.

In the optical device field, sales of broadcast and cinema lenses fell due to cancellation of events and shooting, but sales of monitoring zoom lens and surveillance camera with built-in zoom lens have risen year-over-year from the second quarter. Aiming to achieve business growth in this field, we are expanding our business domains and continuing to develop innovative products that satisfy the diverse needs of the market, including ultra-short-throw projectors and long-range surveillance cameras, and newly developed multispectral camera systems.

Healthcare & Material Solutions

In the Healthcare & Material Solutions segment, consolidated revenue amounted to ¥1052.6 billion (up 2.8% year-over-year).

Consolidated operating income amounted to ¥107.5 billion (up 16.3% year-over-year).

In the medical systems business, although partially hit by voluntary restraint of sales activities to hospitals and delays in sales negotiations due to the COVID-19 pandemic, sales in the fourth quarter remained mostly unchanged from the previous year with higher demand for products useful for tests related to COVID-19 (portable digital x-ray imaging systems, ultrasound imaging diagnostic devices). The antibacterial materials field saw a surge in sales for alcoholic preparations, medicated hand gels, and anti-bacterial film using our proprietary *Hydro Ag+* technology, which allows high antibacterial and antiviral performance to last for many hours by combining silver-based materials and super hydrophilic polymer. In the X-ray imaging diagnostics field, sales remained strong while robust demand continued in the U.S., Europe, and Asia for the *FUJIFILM DR CALNEO AQRO* and *FUJIFILM DR CALNEO Go PLUS*, which are portable digital X-ray imaging systems that can be moved easily between hospital bedsides. In the ultrasound diagnostics field, revenue increased as we timely responded to the increase in demand mainly in Europe and Japan amid the COVID-19 pandemic, and also due to solid sales of the *Sonosite PX*, an ultrasound diagnostic device, launched in the U.S. in July 2020, Europe in August 2020, and Japan in January 2021. The medical IT field witnessed strong sales of systems, particularly the *SYNAPSE*, Picture Archiving and Communication Systems (PACS), including *SYNAPSE VINCENT* 3D image analysis system, mainly in Japan. In February 2021, we began sales of the *SYNAPSE Radiotherapy* radiation treatment plan support software. We will support the entire workflow of radiology departments by adding solutions for radiation treatment departments to the existing solutions we currently provide for radiation diagnosis departments. In the endoscopes field, sales of such products as the *7000 System*, capable of special-light observations, were particularly strong in China. In the In-Vitro Diagnostics (IVD) field, although hit by the impact of COVID-19 in the first half in Japan and overseas, sales of the *FUJI DRI-CHEM* (blood biochemical test) equipment and slides fared well in the second half, mainly in the overseas veterinary diagnostics market. On March 31, 2021, the acquisition of Hitachi, Ltd.'s diagnostic imaging-related business was completed, and FUJIFILM Healthcare Corporation, to which the business was transferred, launched operations as a new group company.

In the pharmaceutical business, we have been building a new supply chain since the beginning of the fiscal year with FUJIFILM Wako Pure Chemical Corporation and domestic / overseas subcontractors to increase production of *Avigan® Tablet* (generic name: favipiravir), an anti-influenza virus drug which is expected to be effective for treating COVID-19. Revenue increased due to an increase in national stockpile (164 million tablets) requested by the Japanese government, licensing revenue from partners, Dr. Reddy's Laboratories Ltd., a major pharmaceutical company headquartered in India, and Global Response Aid, a global provider of medical supplies and pharmaceuticals, and supply to overseas customers. The Fujifilm Group will continue contributing to further development of medicine by supplying high-value-added pharmaceutical products.

In the bio CDMO (contract development and manufacturing organization of biopharmaceuticals) business, revenue increased as biopharmaceutical process development and manufacturing under contract progressed favorably. To further accelerate business growth, we announced in June 2020 an investment of approximately ¥100.0 billion to expand manufacturing facilities at our Denmark site. In January 2021, we announced another large-scale investment of over ¥200.0 billion to build a new large-scale biopharmaceutical manufacturing facility as the second site in North Carolina in the U.S.. We will build a structure in the U.S. to offer an end-to-end service from contracted mass production of drug substances to formulation and packing, with plans to launch operations in spring 2025. In the gene therapeutics field, a market which is expected to expand, we will invest approximately ¥4.0 billion to establish a base for contract process development / drug substance manufacturing for gene therapeutics in Boston in the U.S., with plans to start operations gradually from fall 2021. We are committed to supporting our customers' creation of new drugs through the stable supply of high-quality pharmaceuticals, as well as solving social issues by such means as responding to unmet

medical needs, and contributing to the development of the healthcare industry.

In the regenerative medicine business, revenue increased through solid sales of cell culture media for biopharmaceuticals by FUJIFILM Irvine Scientific, Inc. (based in the U.S.). Also, the drug discovery support business fared well, which supplies iPS cell-derived differentiated cells used for evaluating drug candidate substances to pharmaceutical companies and academia, and the contract development business for allogeneic iPS cells used in next-generation cancer immunotherapeutic drugs, both operated by FUJIFILM Cellular Dynamics, Inc. (also based in the U.S.). In March 2021, as part of business portfolio optimization in the biopharmaceutical field, we transferred our entire shareholdings in Japan Tissue Engineering Co., Ltd. to TEIJIN LIMITED. By focusing on cells and culture media, which allows us to maximize our strengths, we plan to reinforce the drug discovery support business while expanding contract development and efficient R&D with partners in the field of cell therapeutics, the market for which is expected to grow strongly.

In the life sciences business, overall revenue climbed on favorable sales of cosmetics, primarily new products, and steady sales of *MetabARRIER EX* and other supplements. In April 2020 we launched *Astalift Supplement White Shield* and *Astalift Drink White Shield*, which are Foods with Function Claims (a category of health food products in Japan) that help to protect the skin from harmful UV rays. These were followed in September 2020 with the launch of *Astalift Luminous Essence*, a foundation makeup incorporating an ingredient that retains water to preserve skin moisture, and *Astalift Sparkle Tight Serum*, which uses bursting bubbles to tighten the skin. In March 2021, we released *Astalift White Jelly Aquarysta*, formulated by blending whitening active ingredients and proprietary beauty ingredients with *Astalift Jelly Aquarysta*, a longtime best-selling jelly skincare product since its release in September 2010. We will continue to provide unique products that cater to customer needs and contribute to people's beauty and health promotion.

In the display materials business, overall revenue increased due to a rise in demand for monitors and tablets and the steady sales of TVs amid the COVID-19 pandemic. In addition, sales of various high-functioning film grew in line with the upturn in demand for smartphones.

In the industrial products business, sales of the *EXCLEAR* touch-panel sensor films showed steady growth due to increased demand for mobile PCs for work-from-home and school-from-home, although sales of products such as equipment and materials for non-destructive inspection decreased due to the COVID-19 pandemic.

In the electronic materials business, revenue rose through steady sales of a wide range of products, including Chemical Mechanical Planarization (CMP) slurries, advanced resists, and liquid developer, mainly for use with data center servers, smartphones and other advanced logic devices reflecting more widespread work-from-home amid the COVID-19 pandemic. In response to the growing semiconductor demand, we will further expand the business with a focus on materials for advanced processes, thereby contributing to the creation of social value in the 5G/IoT era.

In the fine chemical business, although demand for reagents fell due to delays in research activities at universities and corporations resulting from the COVID-19 pandemic, overall revenue increased as sales of disinfection ethanol and other products increased with brisk demand.

In the recording media business, revenue fell because of a drop in demand for magnetic data storage tapes as corporations curbed investments in data archiving and prioritized the enhancement of network infrastructures to support work-from-home amid the COVID-19 pandemic. Over the medium to long term, however, magnetic data storage tapes will retain its superiority and data volume will trend upward, and as archiving demand is currently recovering, we will work to expand our business by widening our lineup of products and services capable of meeting customer needs in the big data era.

In the graphic systems business, revenue decreased due to reduced demand for printing plates under the impact of the COVID-19 pandemic. In the digital printing field, we will expand the business by developing and providing innovative products, such as the *Jet Press750S* inkjet digital press, to the commercial and package printing market, where digitization is progressing.

In the inkjet business, sales of industrial inkjet printheads were steady, reflecting growing demand in the

Chinese ceramic market. Ink sales, demand for which declined due to the COVID-19 impact, began to recover in the second half, mainly for UV ink in the wide format market. In anticipation for growth in market demand for industrial inkjet printing, the applications for which are expanding, we will establish a new manufacturing facility in the U.S. for pigment dispersion liquid, which is the ink coloring material for water-based pigment inkjet printing. We will accelerate further business growth by building a global manufacturing structure to cater to the needs of the inkjet printing market.

Document Solutions

In the Document Solutions segment, consolidated revenue amounted to ¥854.7 billion (down 10.8% year-over-year).

Consolidated operating income amounted to ¥73.3 billion (down 30.2% year-over-year).

In the office products field in the office products and printer business, the number of unit sales increased year-over-year in Japan, China, and the Asia-Pacific region. In the office printer field, the number of unit sales decreased from the previous year. In Japan, demand increased for *Netprint® Service* which uses multi-copiers installed at Seven-Eleven stores nationwide. Further, for global expansion under the FUJIFILM brand, we released new models of *Apeos*, digital color multifunction devices / printers with a totally new design and stronger security capabilities in April 2021.

In the production services business, the number of unit sales decreased year-over-year as customers curtailed investment due to economic uncertainties stemming from the COVID-19 pandemic.

In the solutions and services business, overall revenue decreased as sales activities were restricted due to the COVID-19 pandemic, but sales of solutions to support work-from-home and other new work styles fared well, boosting the fourth quarter revenue above the level of a year earlier. Domestic and overseas sales of document handling software *DocuWorks®*, which allows users to handle electronic documents without losing the benefits of paper documents, have reached a cumulative total of 7.77 million licenses. Also, *CocoDesk*, a personal workspace providing a safe and comfortable telework environment, is expanding the user base among people working remotely or making use of their spare time between travel destinations. We will continuously offer new solutions and services to support customers' diversifying work styles and achieve further growth in the service field.

Outlook for the Fiscal Year ending March 31, 2022

Amount Unit: Billions of yen

	Outlook for the year ending March 2022	Actual results for the year ended March 2021	Change (% / Amount)
Revenue	2,440.0	2,192.5	11.3%
Operating income	180.0	165.5	8.8%
Income before income taxes	185.0	235.9	(21.6%)
Net income attributable to FUJIFILM Holdings	130.0	181.2	(28.3%)
ROE (%)	6.2%	8.7%	(2.5%)
Exchange rates (Yen / US \$)	¥104	¥106	(¥2)
Exchange rates (Yen / Euro)	¥124	¥124	¥0

Regarding the consolidated performance forecast for the fiscal year ending March 31, 2022, FUJIFILM Holdings (the Company) projects ¥2440.0 billion in revenue (up 11.3% year-over-year), ¥180.0 billion in operating income (up 8.8% year-over-year), ¥185.0 billion in income before income taxes (down 21.6%

year-over-year), and ¥130.0 billion yen in net income attributable to FUJIFILM Holdings per share (down 28.3% year-over-year).

The projected currency exchange rates for the U.S. dollar and the euro against the yen during the fiscal year ending March 31, 2022 are ¥104 and ¥124, respectively.

(2) Analysis of Consolidated Financial Position

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

At the end of the fiscal year ended March 31, 2021, total assets increased by ¥227.5 billion year-over-year, to ¥3,549.2 billion, owing to an increase in accounts receivable. Total liabilities decreased by ¥0.9 billion year-over-year, to ¥1,327.0 billion. FUJIFILM Holdings shareholders' equity increased by ¥251.3 billion year-over-year, to ¥2,204.6 billion. As a result, the current ratio decreased by 15.2 percentage points, to 210.4%, the debt-equity ratio decreased by 7.8 percentage points, to 60.2%, and the equity ratio increased by 3.3 percentage points year-over-year, to 62.1%. The Company is maintaining a stable level of asset liquidity and a sound capital structure.

During the fiscal year ended March 31, 2021, net cash provided by operating activities totaled ¥420.9 billion, due to a decrease in accounts receivable and other factors. Net cash used in investing activities amounted to ¥279.4 billion, mainly due to acquisition of businesses. Thus, free cash flows—or the sum of cash flows from operating and investing activities— increased by ¥130.7 billion year-over-year, to ¥141.5 billion. Net cash used in financing activities amounted to ¥163.1 billion, due to repayments of long-term debt and other factors. As a result, cash and cash equivalents at the end of the fiscal year under review amounted to ¥394.8 billion, down ¥1.3 billion year-over-year.

(Reference) Cash Flow Related Indices (Consolidated)

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020
Ratio of shareholders' equity to total assets (%)	62.1	58.8
Ratio of market capitalization to total assets (%)	74.0	65.4
Ratio of interest-bearing debt to operating cash flow (years)	1.2	2.5
Interest coverage ratio (times)	163.3	110.4

Notes:

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

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

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

The Company plans to disburse a year-end cash dividend of ¥52.50 per share. As interim cash dividend of ¥47.50 per share has already been disbursed, cash dividend applicable to the fiscal year under review is expected to total ¥100.00 per share.

As for dividends for the fiscal year ending March 31, 2022, the Company plans to disburse an interim dividend of ¥50.00 per share and a year-end cash dividend of ¥50.00 per share, making a year total of ¥100.00 per share.

2. CORPORATE STRUCTURE OF FUJIFILM GROUP

The disclosure is omitted since there are no significant changes in the business and group organizational structures from the latest Annual Securities Report filed on June 29, 2020.

(Changes in status of material subsidiaries during the period)

Japan Tissue Engineering Co., Ltd. was removed from consolidation in the fiscal year ended March 31, 2021.

3. MANAGEMENT POLICIES

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

In August 2017, the Group drew up the long-term plan “Sustainable Value Plan 2030” (hereafter SVP2030). The medium-term management plan was positioned as a specific action plan for achieving the vision set out in SVP2030, and we have been addressing the solution for social issues by creating “new values” through our business activities. The Group implemented the medium-term management plan VISION 2019, and announced a new medium-term management plan VISION 2023 on April 15, 2021. VISION 2023 calls for “accelerating growth in healthcare and highly-functional materials and building a more resilient business platform to facilitate sustainable growth.” Under this vision, we will strengthen “business portfolio management” and “cash flow management” to secure growth investment capital and accelerate/ strengthen the cycle of intensive investment of management resources in new / future potential and priority businesses.

In the fiscal year ending March 31, 2022, an economic recovery is expected, supported by expansionary fiscal policies and monetary easing being aggressively promoted in each country, and the post COVID-19 vision is clearing up due to the rollout of the vaccines. On the other hand, if the pandemic prolongs further due to a new round of infections caused by the spread of new coronavirus variants, more severe restraints on global economic activities may be imposed, and the outlook for socioeconomic conditions is expected to remain uncertain in Japan and overseas. Under these circumstances, the Group will strive to improve profitability of all businesses and promote stable cash generation. Realizing “business growth in healthcare and highly-functional materials” will allow us to reinforce our business portfolio and overcome these difficulties.

Growth strategy in the Healthcare segment

In the Healthcare segment, the medical systems business and the bio CDMO business will drive sales growth to ensure increases in revenue and profit. In the life sciences field, we newly established the Life Sciences Strategy Headquarters, which will develop and promote overall strategies (business portfolio, M&A/ alliance, technology/ R&D, etc.) and lead related businesses, while strengthening drug discovery support-related businesses through the Life Sciences Business Division, which was established on April 1, 2021 by integrating the regenerative medicine business (cells, cell culture media) and the reagents business within the fine chemical business. We will position bio CDMO business, which is expected to grow significantly in the medium to long term, as a priority business, and work on business expansion in the life sciences field by offering end-to-end values as a company supporting state-of-the-art therapeutic drug discovery. Also, with the aim of contributing to COVID-19 pandemic control, we will supply portable digital x-rays, ultrasounds, and other medical equipment and undertake contract process development and manufacturing of therapeutic drugs, vaccines, etc. for pharmaceutical companies.

In the medical systems business, the business scope expanded significantly through the acquisition of Hitachi, Ltd.’s diagnostic imaging-related business, which was completed on March 31, 2021. In the medical IT field, we will promote the development and practical application of AI technology that supports the workflow at the medical frontline under the *REiLI* brand. We will leverage these AI/IT technologies to further

expand the AI/IT solutions business featuring a wide product lineup, including x-ray diagnostic imaging equipment, endoscopes, POC ultrasounds, IVD, as well as CT / MRI / stationary ultrasounds which will be added by the acquisition. In North America, the largest market, we will accelerate business development in the operating room integration market, in addition to promoting installation of our endoscopy systems and strengthening sales of surgical utensils to major hospitals, to build a solid business foundation for further growth in the medical systems business.

In the bio CDMO business, a decision was taken in June 2020 to make a capital investment of approximately ¥100 billion for a production site in Denmark, followed by a decision in January 2021 to make an investment of over ¥200 billion to step up production in North Carolina in the U.S. Through these two large-scale investments, we will substantially increase drug substance production capacity, and build an end-to-end service structure covering everything from drug substance production to formulation and packing within the site where there is strong demand from customers.

Moreover, we decided to newly establish a base for gene therapeutics process development and drug substance manufacturing in the Boston area in the U.S., where a number of cutting-edge R&D facilities are located, and join “The Massachusetts Center for Advanced Biological Innovation and Manufacturing, PBLLC” (CABIM), an industry-academia R&D consortium in the field of cutting-edge therapeutics, along with Harvard University and MIT.

In the bio CDMO business, we will solidify the foundation for business growth by increasing contracting capacity in the U.S. and Europe, which hold large shares in the biopharmaceutical market, while expanding the business at a higher rate than that of the growing biopharmaceutical market by developing antibody drugs, hormone preparations, gene therapeutic drugs, vaccines, etc. and meeting various needs from small-lot to bulk production.

In the life sciences business (including regenerative medicine and drug discovery support such as cell culture media and reagent, etc.), we will accelerate the development of cell therapeutics with alliance partners in the regenerative medicine field, while promoting the regenerative medicine contract manufacturing business. In the drug discovery support field, three group companies, FUJIFILM Cellular Dynamic, Inc., FUJIFILM Irvine Scientific, Inc., and FUJIFILM Wako Pure Chemical Corporation, will strengthen cooperation under the newly established Life Sciences Business Division to provide end-to-end solutions to customers through global supply and sales of cells / culture media / reagent as a set.

In the pharmaceutical business, we will promote development of liposome preparations *FF-10832* and *FF-10850* by using our nano-dispersion, analysis and process technologies, and develop a process development and contract manufacturing business for next-generation nucleic acid drugs and mRNA vaccines by using our lipid nanoparticulate (LNP) manufacturing facilities.

Growth strategy in the Materials segment

In the Materials segment, by mixing wave (optical, etc.) control and other technologies accumulated in each business, we will continue to create new businesses that contribute to DX (digital transformation) acceleration in various fields, which have been made possible by 5G and other high-speed communication network construction and increased performance of sensors and communication devices. This will allow us to maintain our current competitive advantage and timely launch highly profitable products matching the market needs, thereby expanding both revenue and profit.

In the electronic materials business, the wider use of AI, IoT, 5G/6G and acceleration of DX will not only increase demand for semiconductors, but also boost processing capacity, miniaturization and integration required for higher performance of semiconductors. To meet such customer needs, we will continue to make timely capital investments for the development and stable supply of materials that enable higher performance. Also, we will develop *Wave Control Mosaic* (WCM) for image sensors and other new products and widen the product lineup with a focus on the back-end process to maintain a high market share and accelerate profit expansion. For resist materials, we will focus on advanced fields for new material development to expand

business further.

In the display materials business, in addition to maintaining our strong market position of existing TAC products for LCD panels, we will utilize our thin film and multilayer-coating technologies to develop and launch differentiated products with the aim of maintaining a strong market share of organic EL materials and diversifying the material business for new applications, such as in-vehicle displays.

In the industrial products business, we will continue to expand sales of *EXCLEAR*, a sensor film for touch panels, and other highly-functional products utilizing our proprietary technologies, while expanding the business by aggressively branching into new fields such as optical sensors, communications-related materials, and AI-based image analysis solutions.

In the graphic communication business, FUJIFILM Corporation's Graphic Systems Business Division and FUJIFILM Business Innovation Corp.'s Graphic Communication Services Business Group will be integrated together to be the Graphic Communication Division as of July 1, 2021 to accelerate creation of synergy within the Group and continue to provide value globally in the digital printing field. This integration is aimed at combining sales capacity and technological/ product strengths of Fujifilm, which has a broad customer base mainly in commercial and package printing categories, and FUJIFILM Business Innovation Corp., which has strength in digital printing technology, to offer end-to-end analogue to digital solutions and drive the digital printing market.

Growth strategy in the Business Innovation segment

On April 1, 2021, Fuji Xerox Co., Ltd. changed its name and launched operations as FUJIFILM Business Innovation Corp. The name embodies its commitment to continue pursuing business innovation. It will promote innovation in customers' businesses through advanced technology. In line with the company name change, domestic direct sales operation integrated with 31 sales companies to start operation as FUJIFILM Business Innovation Japan Corp. It will accelerate development of the office equipment business, mainly multifunction devices, and related solution businesses by leveraging its strong sales force and sales network that efficiently covers all over Japan.

The brand has also been switched to FUJIFILM to expand its operations worldwide. Additionally, we will accelerate continuous growth and business portfolio transformation by focusing further on IT solutions and services businesses and supporting workstyle renovation, higher operation efficiency, and digitalization at client companies. More specifically, we will contribute to corporate DX efforts through such measures as capturing work-from-home demand by utilizing the customer base of our office products, providing greater value by strengthening the IT/security services for small and midsize companies, and expanding the digital work process services based on digitalization and processing of paper documents through FUJIFILM RIPCORDER G.K., established in September 2020.

Growth strategy in the Imaging segment

In the Imaging segment, the Photo Imaging Products Division and the Optical Device & Electronic Imaging Products Division were integrated together to be the Imaging Solutions Division on April 1, 2021, with the aim of continuing to supply new values and products to meet the diversifying needs for images and videos.

In light of rapid progress in various technologies, including diversification of shooting devices, including smartphones, 5G/6G high-speed networks, AI evolution, and advancement of data society, the needs for images and videos in everyday life and society are diversifying. By grasping the market from a wider perspective and integrating the two divisions, we will accelerate creation of new products and services bases on our brand strength as a comprehensive imaging device manufacturer as well as our technological assets, ranging from shooting devices to printing.

Activities in priority areas under the SVP2030

From the perspective of “solving social issues through our business activities” and “considering society and the environment in business processes,” we are striving to achieve goals set out for four priority areas in SVP2030, namely Environment, Health, Daily Life, and Work Style, as well as Supply Chain and Governance which provide the base for business activities. In Environment, we are actively addressing the reduction of CO2 emissions in response to climate change, which is a pivotal issue common to the international community. In July 2020, we revised our goal of CO2 emission reduction levels upward from 30% to 45% (compared to the FY2013 level) by FY2030 in the product life cycle. In an effort to reduce emissions through products, services and technologies and further create environment-friendly products, we have introduced an internal certification system called Green Value Products, which clarifies the environment value of products and certifies superior products. 166 products were certified by the end of the fiscal year ending March 31, 2021. In Health, our goal is to increase the number of countries introducing our medical AI-based products and services, from 57 as of FY2020 to all 196 countries and regions by FY2030. In Work Style, we will offer 50 million people work styles that help workers improve productivity and demonstrate creativity by providing solution services that spur business innovation. In Governance, we have positioned corporate governance as an important management issue and are addressing enhancement. 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.

FY2021 Fujifilm Group Corporate Direction

The Group’s Corporate Direction for FY2021 is “Consistently Take on New Challenges, United as ‘All-Fujifilm!’” For the creation and expansion of new markets, we will promote development and supply of products and services with new values by accurately grasping market needs. Viewing the resolution of social issues as an opportunity for business growth, we will contribute to the development of sustainable society by taking on the challenge as “All-Fujifilm,” bringing together the power of all companies, organizations, and employees under the umbrella of Fujifilm Holdings with the NEVER STOP spirit.

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 adaptation of IFRS through addressing internal and external factors that affect both within and outside of Japan.

5. CONSOLIDATED FINANCIAL STATEMENTS

FUJIFILM Holdings Corporation (4901)

(1) Consolidated Balance Sheets

Amount Unit: Millions of yen

	As of March 31, 2021	As of March 31, 2020	Change
ASSETS			
Current assets:			
Cash and cash equivalents	394,795	396,091	(1,296)
Notes and accounts receivable:			
Trade and finance	574,319	524,120	50,199
Lease receivable	51,644	55,419	(3,775)
Affiliated companies	2,462	2,640	(178)
Allowance for doubtful receivables	(22,707)	(23,761)	1,054
	605,718	558,418	47,300
Inventories	417,662	380,911	36,751
Prepaid expenses and Other	89,201	153,783	(64,582)
Total current assets	1,507,376	1,489,203	18,173
Investments and long-term receivables:			
Investments in and advances to affiliated companies	31,849	27,770	4,079
Investment securities	111,650	87,209	24,441
Long-term lease receivables	62,068	61,724	344
Other long-term receivables	25,426	30,497	(5,071)
Allowance for doubtful receivables	(3,167)	(4,067)	900
Total investments and long-term receivables	227,826	203,133	24,693
Property, plant and equipment:			
Land	105,764	96,776	8,988
Buildings	718,513	732,716	(14,203)
Machinery and equipment	1,474,840	1,478,270	(3,430)
Construction in progress	63,913	47,481	16,432
	2,363,030	2,355,243	7,787
Less accumulated depreciation	(1,727,779)	(1,754,696)	26,917
Total property, plant and equipment	635,251	600,547	34,704
Other assets:			
Operating lease right-of-use assets	78,203	75,261	2,942
Goodwill, net	804,199	687,155	117,044
Other intangible assets, net	128,496	142,071	(13,575)
Deferred income taxes	33,179	37,811	(4,632)
Other	134,673	86,511	48,162
Total other assets	1,178,750	1,028,809	149,941
Total assets	3,549,203	3,321,692	227,511

	As of March 31, 2021	As of March 31, 2020	Change
LIABILITIES			
Current liabilities:			
Short-term debt	63,729	120,998	(57,269)
Notes and accounts payable:			
Trade	217,308	195,214	22,094
Construction	21,157	25,360	(4,203)
Affiliated companies	1,455	1,724	(269)
	239,920	222,298	17,622
Accrued income taxes	24,527	24,893	(366)
Accrued liabilities	197,519	171,989	25,530
Short-term operating lease liabilities	28,938	25,696	3,242
Other current liabilities	161,651	94,133	67,518
Total current liabilities	716,284	660,007	56,277
Long-term liabilities:			
Long-term debt	439,351	503,171	(63,820)
Accrued pension and severance costs	30,090	33,818	(3,728)
Long-term operating lease liabilities	54,946	52,652	2,294
Deferred income taxes	32,240	21,558	10,682
Other long-term liabilities	54,135	56,729	(2,594)
Total long-term liabilities	610,762	667,928	(57,166)
Total liabilities	1,327,046	1,327,935	(889)
EQUITY			
FUJIFILM Holdings shareholders' equity			
Capital	40,363	40,363	-
Common stock, without par value:			
Authorized: 800,000,000 shares			
Issued: 514,625,728 shares			
Retained earnings	2,702,760	2,563,091	139,669
Accumulated other comprehensive income (loss)	(52,836)	(164,100)	111,264
Treasury stock, at cost			
As of March 31, 2020: 114,914,288 shares			
As of March 31, 2021: 114,823,247 shares	(485,721)	(486,102)	381
Total FUJIFILM Holdings shareholders' equity	2,204,566	1,953,252	251,314
Noncontrolling interests	17,591	40,505	(22,914)
Total equity	2,222,157	1,993,757	228,400
Total liabilities and equity	3,549,203	3,321,692	227,511

Note: Details of accumulated other comprehensive income (loss)

	As of March 31, 2021	As of March 31, 2020	Change
Unrealized gains (losses) on securities	1	(11)	12
Foreign currency translation adjustments	32,973	(46,201)	79,174
Pension liability adjustments	(86,038)	(117,780)	31,742
Unrealized gains (losses) on derivatives	228	(108)	336

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

Year ended March 31

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
					Amount	%
	%		%			
Revenue:	100.0	2,192,519	100.0	2,315,141	(122,622)	(5.3)
Cost of sales:	60.3	1,322,828	58.8	1,360,648	(37,820)	(2.8)
Gross profit	39.7	869,691	41.2	954,493	(84,802)	(8.9)
Operating expenses:						
Selling, general and administrative	25.3	552,068	26.3	610,043	(57,975)	(9.5)
Research and development	6.9	152,150	6.8	157,880	(5,730)	(3.6)
Operating income	32.2	704,218	33.1	767,923	(63,705)	(8.3)
Operating income	7.5	165,473	8.1	186,570	(21,097)	(11.3)
Other income (expenses):						
Interest and dividend income		3,884		5,183	(1,299)	
Interest expense		(2,578)		(2,316)	(262)	
Foreign exchange gains (losses), net		(2,593)		(2,133)	(460)	
Gains (losses) on equity securities, net		48,778		(22,084)	70,862	
Other, net		22,906		7,851	15,055	
Income before income taxes	3.3	70,397	(0.6)	(13,499)	83,896	-
Income before income taxes	11	235,870	7.5	173,071	62,799	36.3
Income taxes						
Current		47,973		42,822	5,151	
Deferred		7,638		(6,708)	14,346	
Income taxes	2.5	55,611	1.6	36,114	19,497	54.0
Equity in net earnings (losses) of affiliated companies	0.1	3,198	0.1	1,341	1,857	138.5
Net income	8.4	183,457	6.0	138,298	45,159	32.7
Less: Net (income) loss attributable to the noncontrolling interests	(0.1)	(2,252)	(0.6)	(13,311)	11,059	(83.1)
Net income attributable to FUJIFILM Holdings	8.3	181,205	5.4	124,987	56,218	45.0

Three months ended March 31

Amount Unit: Millions of yen

	Three months ended March 31, 2021 From January 1, 2021 to March 31, 2021		Three months ended March 31, 2020 From January 1, 2020 to March 31, 2020		Change	
					Amount	%
	%		%			
Revenue:	100.0	619,085	100.0	586,744	32,341	5.5
Cost of sales:	64.7	400,333	60.6	355,316	45,017	12.7
Gross profit	35.3	218,752	39.4	231,428	(12,676)	(5.5)
Operating expenses:						
Selling, general and administrative	21.3	132,346	26.6	156,609	(24,263)	(15.5)
Research and development	6.7	41,401	6.8	39,884	1,517	3.8
Operating income	28.0	173,747	33.4	196,493	(22,746)	(11.6)
Operating income	7.3	45,005	6.0	34,935	10,070	28.8
Other income (expenses):						
Interest and dividend income		538		966	(428)	
Interest expense		(568)		(385)	(183)	
Foreign exchange gains (losses), net		3,066		(553)	3,619	
Gains (losses) on equity securities, net		9,008		(24,074)	33,082	
Other, net		4,000		(4,348)	8,348	
Income before income taxes	2.6	16,044	(4.9)	(28,394)	44,438	-
Income before income taxes	9.9	61,049	1.1	6,541	54,508	833.3
Income taxes	1.5	9,416	0.5	3,073	6,343	206.4
Equity in net earnings (losses) of affiliated companies	0.6	4,039	0.2	1,379	2,660	192.9
Net income	9.0	55,672	0.8	4,847	50,825	1,048.6
Less: Net (income) loss attributable to the noncontrolling interests	(0.2)	(956)	(0.1)	(518)	(438)	84.6
Net income attributable to FUJIFILM Holdings	8.8	54,716	0.7	4,329	50,387	1,163.9

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

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020	Change
Net income	183,457	138,298	45,159
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	12	(9)	21
Foreign currency translation adjustments	80,635	(50,279)	130,914
Pension liability adjustments	31,786	142	31,644
Unrealized gains (losses) on derivatives	336	137	199
Other comprehensive income (loss)	112,769	(50,009)	162,778
Comprehensive income (loss)	296,226	88,289	207,937
Less: Comprehensive (income) loss attributable to noncontrolling interests	(3,757)	(8,800)	5,043
Comprehensive income (loss) attributable to FUJIFILM Holdings	292,469	79,489	212,980

Three months ended March 31

Amount Unit: Millions of yen

	Three months ended March 31, 2021 From January 1, 2021 to March 31, 2021	Three months ended March 31, 2020 From January 1, 2020 to March 31, 2020	Change
Net income	55,672	4,847	50,825
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	29	(2)	31
Foreign currency translation adjustments	65,158	(33,470)	98,628
Pension liability adjustments	25,325	(3,283)	28,608
Unrealized gains (losses) on derivatives	166	(155)	321
Other comprehensive income (loss)	90,678	(36,910)	127,588
Comprehensive income (loss)	146,350	(32,063)	178,413
Less: Comprehensive (income) loss attributable to noncontrolling interests	(2,035)	30	(2,065)
Comprehensive income (loss) attributable to FUJIFILM Holdings	144,315	(32,033)	176,348

(3) Consolidated Statements of Changes in Shareholders' Equity

Amount Unit: Millions of yen

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	FUJIFILM Holdings shareholders' equity	Noncontrolling interest	Total Equity
Balanced at April 1, 2019	40,363	24,494	2,507,719	(100,593)	(435,020)	2,036,963	207,878	2,244,841
Comprehensive income (loss):								
Net income			124,987			124,987	13,311	138,298
Change in net unrealized losses on securities				(9)		(9)		(9)
Foreign currency translation adjustments				(45,489)		(45,489)	(4,790)	(50,279)
Pension liability adjustments				(122)		(122)	264	142
Change in net unrealized gains on derivatives				122		122	15	137
Net comprehensive income						79,489	8,800	88,289
Purchases of stock for treasury					(51,624)	(51,624)		(51,624)
Sales of stock from treasury			(113)		542	429		429
Dividends paid to FUJIFILM Holdings shareholders			(38,432)			(38,432)		(38,432)
Dividends paid to noncontrolling interests							(9,813)	(9,813)
Stock acquisition rights		452				452		452
Transfer from retained earnings to additional paid-in capital		31,070	(31,070)			-		-
Equity transactions with noncontrolling interests and other		(56,016)		(18,009)		(74,025)	(166,360)	(240,385)
Balanced at March 31, 2020	40,363	-	2,563,091	(164,100)	(486,102)	1,953,252	40,505	1,993,757
Comprehensive income (loss):								
Net income			181,205			181,205	2,252	183,457
Change in net unrealized gains on securities				12		12		12
Foreign currency translation adjustments				79,174		79,174	1,461	80,635
Pension liability adjustments				31,742		31,742	44	31,786
Change in net unrealized gains on derivatives				336		336		336
Net comprehensive income						292,469	3,757	296,226
Purchases of stock for treasury					(20)	(20)		(20)
Sales of stock from treasury			(32)		401	369		369
Dividends paid to FUJIFILM Holdings shareholders			(39,979)			(39,979)		(39,979)
Dividends paid to noncontrolling interests							(1,314)	(1,314)
Stock acquisition rights		485				485		485
Transfer from retained earnings to additional paid-in capital		1,525	(1,525)			-		-
Equity transactions with noncontrolling interests and other		(2,010)				(2,010)	(25,357)	(27,367)
Balanced at March 31, 2021	40,363	-	2,702,760	(52,836)	(485,721)	2,204,566	17,591	2,222,157

(4) Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020	Change
Operating activities			
Net income	183,457	138,298	45,159
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	123,423	122,653	770
(Gains) losses on equity securities	(48,778)	22,085	(70,863)
Deferred income taxes	7,638	(6,708)	14,346
Equity in net (gains) losses of affiliated companies, net of dividends received	(2,571)	(13)	(2,558)
Changes in operating assets and liabilities:			
Notes and accounts receivable	20,576	53,277	(32,701)
Inventories	9,215	(11,505)	20,720
Notes and accounts payable - trade	(9,713)	(10,558)	845
Changes in other current assets	64,071	(66,944)	131,015
Accrued income taxes and other liabilities	46,099	(10,572)	56,671
Other	27,444	25,654	1,790
Subtotal	237,404	117,369	120,035
Net cash provided by operating activities	420,861	255,667	165,194
Investing activities			
Purchases of property, plant and equipment	(100,063)	(84,677)	(15,386)
Purchases of software	(25,544)	(25,047)	(497)
Proceeds from sales and maturities of marketable and investment securities	26,239	151	26,088
Purchases of marketable and investment securities	(1,685)	(3,230)	1,545
(Increase) decrease in time deposits, net	(3,090)	(10)	(3,080)
Increase in investments in and advances to affiliated companies	(2,945)	(1,501)	(1,444)
Acquisitions of businesses, net of cash acquired	(173,515)	(121,789)	(51,726)
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	14,707	-	14,707
Other	(13,485)	(8,747)	(4,738)
Net cash used in investing activities	(279,381)	(244,850)	(34,531)
Financing activities			
Proceeds from long-term debt	4,073	200,669	(196,596)
Repayments of long-term debt	(78,650)	(163,541)	84,891
Increase (decrease) in short-term debt, net	(625)	390	(1,015)
Proceeds from short-term debt with maturities longer than three months	-	150,000	(150,000)
Payments of short-term debt with maturities longer than three months	(50,000)	(100,000)	50,000
Cash dividends paid to shareholders	(37,975)	(35,817)	(2,158)
Subsidiaries' cash dividends paid to noncontrolling interests	(1,314)	(9,813)	8,499
Net purchases of stock for treasury	(20)	(51,624)	51,604
Capital transactions with noncontrolling interests and other	1,418	(241,207)	242,625
Net cash used in financing activities	(163,093)	(250,943)	87,850
Effect of exchange rate changes on cash and cash equivalents	20,317	(18,530)	38,847
Net decrease in cash and cash equivalents	(1,296)	(258,656)	257,360
Cash and cash equivalents at beginning of year	396,091	654,747	(258,656)
Cash and cash equivalents at end of year	394,795	396,091	(1,296)

(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 : 310

Main companies : FUJIFILM Corporation, Fuji Xerox Co., Ltd.

FUJIFILM Toyama Chemical Co., Ltd., FUJIFILM Wako Pure Chemical Corporation and others

Note: Fuji Xerox Co., Ltd. changed its corporate name to FUJIFILM Business Innovation Corp. on April 1, 2021.

(B) Scope of affiliated companies

Number of Affiliates : 33

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

(C) Significant Accounting Policies

Our consolidated financial statements are prepared based on corporate accounting standards generally accepted as fair and valid in the United States. The disclosure is omitted since there are no significant changes from the description in the latest Annual Securities Report (filed on June 29, 2020).

Segment Information

1. Year ended March 31

(A) Operating Segment Information

a. Revenue

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
					Amount	%
Revenue:	%		%			
Imaging Solutions:						
External customers	13.0	285,236	14.4	332,603	(47,367)	(14.2)
Intersegment		1,878		2,202	(324)	-
Total		287,114		334,805	(47,691)	(14.2)
Healthcare & Material Solutions:						
External customers	48.0	1,052,593	44.2	1,024,209	28,384	2.8
Intersegment		1,428		1,891	(463)	-
Total		1,054,021		1,026,100	27,921	2.7
Document Solutions:						
External customers	39.0	854,690	41.4	958,329	(103,639)	(10.8)
Intersegment		6,405		11,679	(5,274)	-
Total		861,095		970,008	(108,913)	(11.2)
Eliminations		(9,711)		(15,772)	6,061	-
Consolidated total	100.0	2,192,519	100.0	2,315,141	(122,622)	(5.3)

b. Operating income

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
					Amount	%
Operating Income:	%		%			
Imaging Solutions	5.4	15,591	7.5	25,076	(9,485)	(37.8)
Healthcare & Material Solutions	10.2	107,507	9.0	92,402	15,105	16.3
Document Solutions	8.5	73,284	10.8	105,045	(31,761)	(30.2)
Total		196,382		222,523	(26,141)	(11.7)
Corporate expenses and eliminations		(30,909)		(35,953)	5,044	-
Consolidated total	7.5	165,473	8.1	186,570	(21,097)	(11.3)

Notes

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

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

Total Assets

Amount Unit: Millions of yen

	As of March 31, 2021	As of March 31, 2020	Change	
			Amount	%
Total assets:				
Imaging Solutions	278,232	294,243	(16,011)	(5.4)
Healthcare & Material Solutions	2,123,041	1,775,913	347,128	19.5
Document Solutions	990,487	991,861	(1,374)	(0.1)
Subtotal	3,391,760	3,062,017	329,743	10.8
Eliminations	(3,530)	(4,090)	560	-
Corporate assets	160,973	263,765	(102,792)	(39.0)
Consolidated total	3,549,203	3,321,692	227,511	6.8

Depreciation and amortization, and Capital expenditures

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021	Year ended March 31, 2020 From April 1, 2019 to March 31, 2020	Change	
			Amount	%
Depreciation and amortization:				
Imaging Solutions	14,946	14,592	354	2.4
Healthcare & Material Solutions	66,183	63,881	2,302	3.6
Document Solutions	39,578	41,750	(2,172)	(5.2)
Corporate	2,716	2,430	286	11.8
Consolidated total	123,423	122,653	770	0.6
Capital expenditures:				
Imaging Solutions	7,213	12,496	(5,283)	(42.3)
Healthcare & Material Solutions	74,109	58,223	15,886	27.3
Document Solutions	18,330	13,406	4,924	36.7
Corporate	1,231	1,567	(336)	(21.4)
Consolidated total	100,883	85,692	15,191	17.7

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

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
	%		%		Amount	%
Revenue:						
Japan:						
External customers	47.8	1,046,805	49.4	1,145,473	(98,668)	(8.6)
Intersegment		443,919		414,910	29,009	-
Total		1,490,724		1,560,383	(69,659)	(4.5)
The Americas:						
External customers	18.4	404,406	18.3	423,230	(18,824)	(4.4)
Intersegment		70,564		52,533	18,031	-
Total		474,970		475,763	(793)	(0.2)
Europe:						
External customers	11.4	250,501	10.7	247,153	3,348	1.4
Intersegment		12,857		16,101	(3,244)	-
Total		263,358		263,254	104	0.0
Asia and others:						
External customers	22.4	490,807	21.6	499,285	(8,478)	(1.7)
Intersegment		211,734		231,229	(19,495)	-
Total		702,541		730,514	(27,973)	(3.8)
Eliminations		(739,074)		(714,773)	(24,301)	-
Consolidated total	100.0	2,192,519	100.0	2,315,141	(122,622)	(5.3)

b. Operating income

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
	%		%		Amount	%
Operating Income (Loss):						
Japan	6.4	95,838	7.0	109,112	(13,274)	(12.2)
The Americas	3	14,308	2.9	14,006	302	2.2
Europe	2.8	7,372	1.2	3,180	4,192	131.8
Asia and others	6.3	44,014	8.3	60,772	(16,758)	(27.6)
Eliminations		3,941		(500)	4,441	-
Consolidated total	7.5	165,473	8.1	186,570	(21,097)	(11.3)

c. Long - lived assets

Amount Unit: Millions of yen

	As of March 31, 2021	As of March 31, 2020	Change	
			Amount	%
Long - lived assets				
Japan	367,660	375,783	(8,123)	(2.2)
The Americas	90,885	73,922	16,963	22.9
Europe	122,356	103,964	18,392	17.7
Asia and others	54,350	46,878	7,472	15.9
Consolidated total	635,251	600,547	34,704	5.8

d. Overseas revenue (Destination Base)

Amount Unit: Millions of yen

	Year ended March 31, 2021 From April 1, 2020 to March 31, 2021		Year ended March 31, 2020 From April 1, 2019 to March 31, 2020		Change	
					Amount	%
Revenue:	%		%			
Domestic	42.3	927,910	43.4	1,004,076	(76,166)	(7.6)
Overseas:						
The Americas	19.0	416,341	18.3	424,257	(7,916)	(1.9)
Europe	12.2	267,902	12.8	296,623	(28,721)	(9.7)
Asia and others	26.5	580,366	25.5	590,185	(9,819)	(1.7)
Subtotal	57.7	1,264,609	56.6	1,311,065	(46,456)	(3.5)
Consolidated total	100.0	2,192,519	100.0	2,315,141	(122,622)	(5.3)

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

2. Three months ended March 31

(A) Operating Segment Information

Revenue

Amount Unit: Millions of yen

	Three months ended March 31, 2021 From January 1, 2021 to March 31, 2021		Three months ended March 31, 2020 From January 1, 2020 to March 31, 2020		Change	
					Amount	%
Revenue:	%		%			
Imaging Solutions:						
External customers	10.8	66,590	11.3	66,439	151	0.2
Intersegment		477		464	13	0.0
Total		67,067		66,903	164	0.2
Healthcare & Material Solutions:						
External customers	50.9	315,639	48.3	283,039	32,600	11.5
Intersegment		391		546	(155)	0.0
Total		316,030		283,585	32,445	11.4
Document Solutions:						
External customers	38.3	236,856	40.4	237,266	(410)	(0.2)
Intersegment		1,785		1,902	(117)	0.0
Total		238,641		239,168	(527)	(0.2)
Eliminations		(2,653)		(2,912)	259	0.0
Consolidated total	100.0	619,085	100.0	586,744	32,341	5.5

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

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

(B) Geographic Information

Overseas Revenue (Destination Base)

Amount Unit: Millions of yen

	Three months ended March 31, 2021 From January 1, 2021 to March 31, 2021		Three months ended March 31, 2020 From January 1, 2020 to March 31, 2020		Change	
					Amount	%
Revenue:	%		%			
Domestic	43.8	271,182	46.6	273,615	(2,433)	(0.9)
Overseas:						
The Americas	19.1	118,313	17.3	101,356	16,957	16.7
Europe	12.2	75,632	12.0	70,702	4,930	7.0
Asia and others	24.9	153,958	24.1	141,071	12,887	9.1
Subtotal	56.2	347,903	53.4	313,129	34,774	11.1
Consolidated total	100.0	619,085	100.0	586,744	32,341	5.5

Amounts Per Share of Common Stock

	Year ended March 31, 2021	Year ended March 31, 2020
	Yen	Yen
FUJIFILM Holdings shareholders' equity per share	5,514.14	4,886.66
Net income attributable to FUJIFILM Holdings per share	453.28	306.18
Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)	451.75	305.22

Subsequent Event

N/A