



FUJIFILM Holdings Corporation

Kenji Sukeno

President and Chief Operating Officer

April 20, 2017

Notice of Creation of Independent Investigation Committee
and Postponement of Announcement of Financial Results
for Fiscal Year Ended March 31, 2017

FUJIFILM Holdings Corporation (the “Company”) announced today that its Board of Directors has resolved to establish an Independent Investigation Committee, due to it becoming necessary to review the appropriateness of accounting practices related to certain sales leasing transactions occurring in or prior to fiscal year 2015 involving Fuji Xerox New Zealand Limited (“FXNZ”). FXNZ is an overseas sales subsidiary of Fuji Xerox Corporation, a company that is a consolidated subsidiary of the Company.

The Company also announced the postponement of the announcement of its financial results for the fiscal year ended March 2017 (from April 1, 2016 to March 31, 2017), originally scheduled for April 27, 2017, pending the release of the results of the investigation by the Independent Investigation Committee.

1. Background to Establishment of the Independent Investigation Committee

In the course of year-end book-closing procedures for the fiscal year ended March 2017, it was identified as being necessary (see Note 1) to review certain accounting practices at FXNZ, such as the recording and recoverability of receivables related to certain sales leasing transactions (see Note 2) in or prior to fiscal year 2015 (referred to below as the “issue”). In response to the issue, the Company formed an internal investigation committee to conduct an investigation.

In order to enhance the objectivity and credibility of the investigation, the Company has now decided to establish the Independent Investigation Committee, consisting of outside experts that do not have any financial or other interests in the Company.

The cumulative impact of FXNZ’s accounting practices on past several fiscal years’ net income as identified to date in the investigation by the internal investigation committee is estimated as a loss of approximately 22 billion yen (see Note 3).

Note 1: Due to reasons such as that no minimum monthly usage volume was clearly set at an appropriate level for ensuring the recovery of fees pertaining to equipment.

Note 2: Specifically, lease agreements in which equipment and consumables are bundled with maintenance services and the fees payable for the equipment are recovered through a monthly fee that is based on usage volume.

Note 3: This figure is calculated based on the March 31, 2017 exchange rate (New Zealand Dollar : 78.43 Yen).

This figure may change based on the results of further investigation.

2. Goals of the Independent Investigation Committee

- (1) Investigation of the facts pertaining to this issue.
- (2) Investigation of the existence or non-existence of the cases similar to this issue and the facts pertaining to such cases (if any).

- (3) Analysis of the cause of this issue and recommendations on preventative measures.
- (4) Any other matters recognized as necessary by the Committee.

3. Members of the Independent Investigation Committee

The Company decided that the Independent Investigation Committee should consist of members without financial or other interests in the Company and who are appointed in consultation with the Company's outside Directors and outside Audit & Supervisory Board Members. There are no factors that might impede the independence or neutrality of the Independent Investigation Committee.

Chairman	Taigi Ito	Certified Public Accountant, Ito Taigi Office
Member	Kyoichi Sato	Attorney, City-Yuwa Partners
Member	Koji Nishimura	Attorney, Matsuo & Kosugi

4. Reason for Postponement of the Announcement of Financial Results and Future Schedule

As indicated above, the Company seeks to assemble a clear picture of the issue by establishing the Independent Investigation Committee. Since the investigation by the Independent Investigation Committee will take some time, the Company has decided to postpone the announcement financial results that had been scheduled for April 27, 2017. The new schedule will be announced as soon as it can be determined.

The Company will fully cooperate with the investigation by the Independent Investigation Committee. It is anticipated that the Independent Investigation Committee will report the results of its investigation to the Company in May 2017. Soon after receiving the report from the Independent Investigation Committee, the Company will make it public.

The Company expresses its deepest regrets to its shareholders, investors and other related parties for any inconvenience and concerns caused.

(For Your Reference) Brief Work History of Independent Investigation Committee Members

Name	Work History	
Taigi Ito	January, 1970 May, 1973 July, 2004 May, 2006 August, 2007 to date January, 2012	Joined Tsuji Audit Corporation (MISUZU Audit Corporation through subsequent merger and name change) Registered as Certified Public Accountant in Japan Deputy Chairman, The Japanese Institute of Certified Public Accountants Became Counsel of MISUZU Audit Corporation Opened Certified Public Accountant Ito Taigi Office Chairman of the Disciplinary Committee of the Japanese Institute of Certified Public Accountants
Kyoichi Sato	April, 1967 April, 1980 April, 1980 April, 1994 April, 2000 to date	Joined Mitsui O.S.K. Lines, Ltd. Admitted to the Bar in Japan Joined Fuji Law, Patent and Accounting Office Opened Sato and Associates Joined Tokyo City Law and Tax Partners (currently City-Yuwa Partners)
Koji Nishimura	April, 1992 April, 1992 to date January, 2004 November, 2004 to date	Admitted to the Bar in Japan Joined Matsuo & Kosugi Admitted to the Bar in the State of New York Partner of Matsuo & Kosugi