



Financial Results (Consolidated) for the Three Months Ended June 30, 2023

FUJIFILM Holdings Corporation

Teiichi Goto

President and Chief Executive Officer

Projected date of Quarterly report: August 14, 2023

Projected date of the beginning of cash dividends: —

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

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

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

August 9, 2023

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

1. Results of the Three Months Ended June 30, 2023 (From April 1, 2023 to June 30, 2023)

(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	
		%		%		%		%
1st Quarter ended June 30, 2023	660,759	5.6	52,217	5.4	69,297	25.5	54,412	31.5
1st Quarter ended June 30, 2022	625,860	7.4	49,550	(12.0)	55,195	(29.0)	41,364	(27.8)

Note: Comprehensive income

1st Quarter ended June 30, 2023 ¥ 194,721 million (25.4%) 1st Quarter ended June 30, 2022 ¥155,270 million (140.9%)

	Net income attributable to FUJIFILM Holdings per share	Net income attributable to FUJIFILM Holdings per share (Assuming full dilution)
	Yen	Yen
1st Quarter ended June 30, 2023	135.66	135.47
1st Quarter ended June 30, 2022	103.21	103.02

(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
As of June 30, 2023	4,374,589	2,908,407	2,905,004	66.4
As of March 31, 2023	4,134,311	2,787,860	2,763,145	66.8

2. Cash Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year End	Year Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	-	60.00	-	70.00	130.00
Year ending March 31, 2024	-				
Year ending March 31, 2024 (Forecast)		70.00	-	80.00	150.00

Note: Changes in dividends forecast during the quarter under review: None

Note: Details of year-end dividends for the fiscal year ending March 31, 2024

Ordinary dividend ¥ 70.00 90th anniversary commemorative dividend ¥ 10.00

3. Forecast for the Fiscal Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

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, 2024	2,950,000	3.2	290,000	6.2	295,000	4.5	225,000	2.5		560.95

Note: Changes in forecast which was recently announced: None

Note: Net income attributable to FUJIFILM Holdings per share is calculated using the number of shares issued as of June 30, 2023 excluding treasury shares for the average number of shares for the relevant period.

Notes

(1) Changes in status of material subsidiaries during this quarter

(Company newly consolidated or removed from consolidation): None

(2) Adoption of simplified method of accounting or specific accounting treatments: None

(3) Changes in accounting principles

1. Changes in accounting policies accompanied by revisions of accounting standards: Yes

2. Changes in accounting policies other than 1. above: None

(4) Number of shares outstanding

1. Issued (including treasury stock):

2. Treasury stock:

3. Average number of shares:

As of June 30, 2023	414,625,728	As of March 31, 2023	414,625,728
As of June 30, 2023	13,521,586	As of March 31, 2023	13,528,181
1st Quarter ended June 30, 2023	400,838,805	1st Quarter ended June 30, 2022	400,646,969

This report is not reviewed.

Explanation of Appropriate Use of Forecast and Other Special Items

Statements regarding future events including forecasts of operating results are based on limited available information and reasonable assumptions as of today. The Company does not have an intention of guaranteeing the realization of the forecasts. Actual operating results are always subject to change significantly due to various matters. Assumptions for the forecasts and warnings for users of the forecasts are mentioned in the page 5, (3) Explanation on Projected Information on Forecasts of the Consolidated Operating Results in 1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER.

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1. QUALITATIVE INFORMATION ON OPERATING RESULTS DURING THE CURRENT QUARTER

(1) Explanation on Consolidated Operating Results

Amount Unit: Billions of yen

	Three months ended June 30, 2023		Three months ended June 30, 2022		Change (Amount)	Change (%)
Domestic revenue	36.2%	239.1	35.8%	224.0	15.1	6.7%
Overseas revenue	63.8%	421.7	64.2%	401.9	19.8	4.9%
Revenue	100.0%	660.8	100.0%	625.9	34.9	5.6%
Operating income	7.9%	52.2	7.9%	49.6	2.6	5.4%
Income before income taxes	10.5%	69.3	8.8%	55.2	14.1	25.5%
Net income attributable to FUJIFILM Holdings	8.2%	54.4	6.6%	41.4	13.0	31.5%
Exchange rates (Yen / US\$)		¥138		¥130		¥8
Exchange rates (Yen / Euro)		¥150		¥138		¥12

In the three months ended June 30, 2023, the Fujifilm Group recorded ¥660.8 billion in consolidated revenue (up 5.6% year-over-year), reflecting sales increases mainly in the medical systems, the bio CDMO and the imaging.

Operating income increased to ¥52.2 billion (up 5.4% year-over-year). Consolidated income before income taxes amounted to ¥69.3 billion (up 25.5% year-over-year), reflecting such factors as an increase in valuation gains on marketable and investment securities, and consolidated net income attributable to FUJIFILM Holdings totaled ¥54.4 billion (up 31.5% year-over-year). The effective currency exchange rates for the U.S. dollar and the euro against the yen during the current quarter were ¥138 and ¥150, respectively.

Revenue by Operating Segment

Amount Unit: Billions of yen

Segment	Three months ended June 30, 2023	Three months ended June 30, 2022	Change (Amount)	Change (%)
Healthcare	206.8	182.8	24.0	13.1%
Materials	154.6	172.4	(17.8)	(10.4%)
Business Innovation	194.2	188.2	6.0	3.2%
Imaging	105.2	82.5	22.7	27.6%
Consolidated Total	660.8	625.9	34.9	5.6%

Operating Income by Operating Segment

Amount Unit: Billions of yen

Segment	Three months ended June 30, 2023	Three months ended June 30, 2022	Change (Amount)	Change (%)
Healthcare	10.3	11.3	(1.0)	(9.1%)
Materials	9.3	22.3	(13.0)	(58.1%)
Business Innovation	16.9	14.2	2.7	18.7%
Imaging	23.3	10.5	12.8	121.1%
Corporate Expenses and Eliminations	(7.6)	(8.7)	1.1	—
Consolidated Total	52.2	49.6	2.6	5.4%

*The segment for non-destructive inspection equipment / materials, which had been included in the industrial products business, has been changed from the Materials segment to the Healthcare segment. Figures for the first three months of the previous consolidated fiscal year are based on the segment classification after the above change.

Healthcare

In the Healthcare segment, consolidated revenue amounted to ¥206.8 billion (up 13.1% year-over-year).

Consolidated operating income amounted to ¥10.3 billion (down 9.1% year-over-year).

In the medical systems business, revenue increased due to steady sales the endoscopes, medical IT and other fields. In the X-ray imaging diagnostics field, growing sales of ultra-lightweight, compact digital X-ray cart system *FDR Nano*, mainly in Southeast Asia and strong domestic sales drove revenue higher. In the medical IT field, revenue was boosted by higher sales of systems and services, in particular the Picture Archiving and Communication System (PACS) *SYNAPSE* and the 3D image analysis system *SYNAPSE VINCENT*, mainly in the U.S, Europe, China and other overseas markets. In the ultrasound diagnostics field, revenue remained firm as sales of new stationary ultrasound diagnostic devices *ARIETTA 850 DI* and *ARIETTA 650 DI* increased mainly in Japan. In the endoscopes field, sales of products such as the *7000 System*, which installs image emphasis features including LCI (Linked Color Imaging) that support endoscope observations by emphasizing slight differences in color of mucous membrane, rose significantly mainly in Japan, Europe and China. In the In-Vitro Diagnostics (IVD) field, revenue was driven lower by a drop in demand for COVID-19-related reagents, despite steady sales of *FUJI DRI-CHEM* (blood biochemical test) equipment and slides. In the CT/MRI field, revenue was driven higher by steady MRI sales in Japan as the shortage of semiconductors and other components were resolved, in addition to growth in CT sales in South/Central America and the Middle East.

In the bio CDMO business, revenue was higher mainly due to favorable progress of biopharmaceutical contract manufacturing at the Denmark site. In June 2023, we established FUJIFILM Diosynth Biotechnologies Japan Corporation to expand the bio CDMO business in the Japanese and Asian markets. Going forward, we will further accelerate the business growth by developing global and integrated operations in Japan, Asia, Europe, and the U.S.

In the life sciences business, revenue was up due to higher sales of cell culture media and strong progress in cell drug discovery support. The global market for cell culture media is expanding in line with growing demand for antibody drugs and development of advanced therapies including cell therapy and gene therapy. We will provide strong support for R&D and manufacturing of biopharmaceuticals through our global manufacturing structure based in the U.S., Europe and Japan.

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

In the consumer healthcare business, revenue was driven down by lower sales of supplements, although sales of the new cosmetic product *ASTALIFT THE SERUM BRIGHTENING* steadily grew. In June 2023, we announced the launch of *ASTALIFT ADVANCED LOTION* and *ASTALIFT ADVANCED CREAM*. We will continue to provide unique products that cater to customer needs and contribute to people's beauty and health.

Materials

In the Materials segment, consolidated revenue amounted to ¥154.6 billion (down 10.4% year-over-year).

Consolidated operating income amounted to ¥9.3 billion (down 58.1% year-over-year).

In the electronic materials business, revenue decreased, hit by a slowdown in the semiconductor market. In May 2023, we announced the acquisition of the semiconductor process chemical business of Entegris, Inc. of the U.S. Though this acquisition, we will further expand the new business by strengthening our ability to meet customer needs based on a broader product lineup. In anticipation of future semiconductor market expansion, we announced in April 2023, the expansion of production capacity at our semiconductor materials manufacturing site in Europe, and in May 2023, the establishment of a new state-of-the-art semiconductor materials manufacturing site in Taiwan. We will continue to make aggressive capital expenditure investments to ensure stable production of high-quality materials and build a robust global manufacturing structure.

In the display materials business, revenue declined due to the lingering impact of production adjustments across the entire supply chain, which were caused in reaction to extraordinary demand under the COVID-19 pandemic.

In the industrial products business, revenue fell. Major factors were sluggish demand for data archiving tapes as major IT companies curtailed investments in data center construction, and lower sales of the *EXCLEAR* sensor film for touch panels impacted by slow demand for business PCs.

In the fine chemicals business, revenue decreased due to lower sales of chemical products reflecting the slack demand for polymerization materials and other products in Europe.

In the graphic communication business, revenue in the printing plates field declined due to lower demand for printed materials mainly in Japan, Europe, and the U.S. In the digital printing field, we are further expanding our

business by launching the medium- to high-speed production color printers *Revoria Press EC1100* and *Revoria Press SC180/SC170* for the Japanese and Asia-Pacific markets, as well as the launch of our digital printers (Print On Demand) in the U.S., U.K., France and Canada in April 2023.

In the inkjet business, revenue fell as sales of inkjet printheads to the ceramic market were driven down by sluggish demand in the European and Chinese markets.

Business Innovation

In the Business Innovation segment, consolidated revenue amounted to ¥194.2 billion (up 3.2% year-over-year).

Consolidated operating income amounted to ¥16.9 billion (up 18.7% year-over-year).

In the office solutions business, revenue declined as expansion of new OEMs, worldwide price revisions, among other factors, were not enough to offset lower exports to Europe and the U.S.

In the business solutions business, revenue rose due to an increase in sales to domestic municipalities and contribution from Australian company MicroChannel Services acquired in FY2022. In June 2023, we started offering the *Integrated Damage Survey System* and the *House Damage Assessment Application* to help speed up the issuance of disaster victim certificates by municipalities in Japan. In addition, as a solution/service to realize CHX (Customer Happy Experience) through customers' DX activities, we announced the *IT Expert Services*, which is a one-stop IT support service providing everything from IT asset visualization and operation/management to environmental improvement support tailored to customer needs. Going forward, we will gain a deeper understanding of our customers' IT environments and continue to accelerate growth of the business solutions business by providing services tailored to our customers' requirements, including the latest security measures and the promotion of DX through the use of new IT technologies.

Imaging Segment

In the Imaging segment, consolidated revenue amounted to ¥105.2 billion (up 27.6% year-over-year).

Consolidated operating income amounted to ¥23.3 billion (up 121.1% year-over-year).

In the consumer imaging field, steady sales of instant photo systems, color paper and dry minilabs/materials drove revenue higher. In June 2023, we launched the *INSTAX SQUARE SQ40* which is compatible with square format films. We will continue to provide new values to people around the world by combining analog and digital technologies through the *INSTAX Series* of instant cameras.

In the professional imaging field, revenue increased significantly as sales of the *X Series* digital cameras launched in the previous fiscal year, in particular *X-H2*, *X-H2S* and *X-T5*, fared well. In June 2023, we launched the *X-S20* all-in-one compact and lightweight model incorporating a high-capacity battery, high-performance AF and video recording functions. We will continue to offer attractive products by achieving overwhelmingly high image quality with the large format in the *GFX series* and the best balance between image quality and size in the *X series*. Meanwhile, in April 2023, we released the *FUJIFILM SX1600*, which is a lens-integrated long-range camera featuring the world's longest 1600mm telephoto and 40x optical zoom for broad applications including surveillance and inspections. We will continue to develop innovative products that meet the needs of customers and markets by using proprietary optical technology nurtured through the development of various lenses as well as cutting-edge image process technology.

*Among lens-integrated long-range cameras, as of April 6, 2023 according to Fujifilm.

(2) Explanation on the Consolidated Financial Position

At the end of the three months ended June 30, 2023, total assets increased by ¥240.3 billion compared with the end of the previous fiscal year (March 31, 2023) to ¥4,374.6 billion, mainly due to increases in inventories and property, plant and equipment. Total liabilities increased by ¥119.8 billion to ¥1,466.2 billion. FUJIFILM Holdings shareholders' equity increased by ¥141.9 billion to ¥2,905.0 billion. The current ratio decreased by 13.7 percentage points to 169.5%, the debt-equity ratio increased by 1.8 percentage points to 50.5%, and the equity ratio decreased by 0.4 percentage points to 66.4% compared with the end of the previous fiscal year. FUJIFILM Holdings (the Company) is maintaining a stable level of asset liquidity and a sound capital structure.

(Cash Flows)

Amount Unit: Billions of yen

	Three months ended June 30, 2023	Three months ended June 30, 2022	Change
Net cash provided by operating activities	74.7	14.7	60.0
Net cash used in investing activities	(98.5)	(82.0)	(16.5)
Net cash used in financing activities	(13.3)	97.2	(110.5)

During the three months ended June 30, 2023, net cash provided by operating activities totaled ¥74.7 billion, due to a decrease in notes and accounts receivables and other factors. Net cash used in investing activities amounted to ¥98.5 billion due to the acquisition of property, plants, equipment and other factors. As a result, free cash flow, or the sum of cash flow from operating and investing activities, was negative ¥23.8 billion. Net cash used in financing activities amounted to ¥13.3 billion, due to payment of dividends and other factors.

As a result, cash and cash equivalents at the end of the three months ended on June 30, 2023 amounted to ¥250.0 billion, down ¥18.6 billion from the end of the previous fiscal year (March 31, 2023).

(3) Explanation on Projected Information on Forecasts of the Consolidated Operating Results

(Consolidated financial forecast for the fiscal year ending March 31, 2024)

Amount Unit: Billions of yen

	Year ending March 31, 2024 (Forecasts)	Year ended March 31, 2023 (Results)	Change (% / Amount)
Revenue	2,950.0	2,859.0	3.2%
Operating income	290.0	273.1	6.2%
Income before income taxes	295.0	282.2	4.5%
Net income attributable to FUJIFILM Holdings	225.0	219.4	2.5%
ROE (%)	8.0	8.3	(0.3 points)
ROIC (%)	5.9	6.1	(0.2 points)
Exchange rates (Yen / US\$)	¥136	¥136	-
Exchange rates (Yen / Euro)	¥146	¥141	¥5

Regarding the consolidated performance forecast for the fiscal year ending March 31, 2024, the Company projects ¥2,950.0 billion in consolidated revenue (up 3.2% year-over-year), ¥290.0 billion in operating income (up 6.2% year-over-year), ¥295.0 billion in income before income taxes (up 4.5% year-over-year) and ¥225.0 billion in net income attributable to FUJIFILM Holdings (up 2.5% year-over-year), based on such factors as business growth centered on healthcare and advanced materials and profitability improvement in all businesses.

The projected currency exchange rates for the U.S. dollar and the euro against the yen during the fiscal year ending March 31, 2024 are ¥136 and ¥146, respectively.

2. MATTERS RELATING TO SUMMARY (OTHER) INFORMATION

(1) Changes in Status of Material Subsidiaries during This Quarter (Company Newly Consolidated or Removed from Consolidation):

None

(2) Adoption of Simplified Method of Accounting or Specific Accounting Treatments:

None

(3) Changes in Accounting Principles:

In June 2016, the FASB issued Accounting Standards Update 2016-13, “Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments.” Accounting Standards Update 2016-13 requires losses to be recognized for financial assets based on the expected credit loss model rather than the current incurred loss model. Under the expected credit loss model, an allowance is recognized for estimated uncollectible contractual cash flows. The standard is effective for fiscal years (including interim periods) beginning on or after December 15, 2022, with early adoption permitted. The Company adopted Accounting Standards Update 2016-13 from the fiscal year beginning on April 1, 2023 with a cumulative effect adjustment made at the beginning of the first fiscal year of adoption. The adoption of Accounting Standards Update 2016-13 does not have a material impact on the Company's results of operations and financial position.

3. OVERVIEW OF MATERIAL EVENTS REGARDING THE GOING CONCERN ASSUMPTION:

None

4. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

Amount Unit: Millions of yen

	As of June 30, 2023	As of March 31, 2023	Change
ASSETS			
Current assets:			
Cash and cash equivalents	250,028	268,608	(18,580)
Notes and accounts receivable:			
Trade	588,506	608,645	(20,139)
Lease receivables	41,052	40,038	1,014
Affiliated companies	1,857	2,561	(704)
Allowance for doubtful receivables	-	(18,193)	18,193
Allowance for credit losses	(19,777)	-	(19,777)
	611,638	633,051	(21,413)
Inventories	630,308	567,302	63,006
Prepaid expenses and Other	191,724	162,146	29,578
Total current assets	1,683,698	1,631,107	52,591
Investments and long-term receivables:			
Investments in and advances to affiliated companies	41,610	42,921	(1,311)
Investment securities	78,762	70,745	8,017
Long-term lease receivables	57,130	55,487	1,643
Other long-term receivables	22,873	22,103	770
Allowance for doubtful receivables	-	(2,351)	2,351
Allowance for credit losses	(2,140)	-	(2,140)
Total investments and long-term receivables	198,235	188,905	9,330
Property, plant and equipment:			
Land	113,040	105,923	7,117
Buildings	800,823	770,926	29,897
Machinery and equipment	1,544,133	1,505,008	39,125
Construction in progress	429,474	345,253	84,221
	2,887,470	2,727,110	160,360
Less accumulated depreciation	(1,792,595)	(1,750,999)	(41,596)
Total property, plant and equipment	1,094,875	976,111	118,764
Other assets:			
Operating lease right-of-use assets	92,697	82,276	10,421
Goodwill, net	888,840	858,311	30,529
Other intangible assets, net	146,694	144,258	2,436
Other	269,550	253,343	16,207
Total other assets	1,397,781	1,338,188	59,593
Total assets	4,374,589	4,134,311	240,278

	As of June 30, 2023	As of March 31, 2023	Change
LIABILITIES			
Current liabilities:			
Short-term debt	196,622	106,093	90,529
Notes and accounts receivable:			
Trade	252,132	246,093	6,039
Construction	71,432	72,713	(1,281)
Affiliated companies	1,581	1,603	(22)
	325,145	320,409	4,736
Accrued income taxes	32,713	39,214	(6,501)
Accrued liabilities	255,382	234,809	20,573
Short-term operating lease liabilities	34,392	31,031	3,361
Other current liabilities	149,224	158,766	(9,542)
Total current liabilities	993,478	890,322	103,156
Long-term liabilities:			
Long-term debt	267,752	270,060	(2,308)
Accrued pension and severance costs	21,056	21,909	(853)
Long-term operating lease liabilities	62,274	55,400	6,874
Other long-term liabilities	121,622	108,760	12,862
Total long-term liabilities	472,704	456,129	16,575
Total liabilities	1,466,182	1,346,451	119,731
EQUITY			
FUJIFILM Holdings shareholders' equity			
Capital	40,363	40,363	-
Common stock, without par value:			
Authorized: 800,000,000 shares			
Issued: 414,625,728 shares			
Retained earnings	2,612,683	2,616,191	(3,508)
Accumulated other comprehensive income (loss)	309,162	163,820	145,342
Treasury stock, at cost	(57,204)	(57,229)	25
Total FUJIFILM Holdings shareholders' equity	2,905,004	2,763,145	141,859
Noncontrolling interests	3,403	24,715	(21,312)
Total equity	2,908,407	2,787,860	120,547
Total liabilities and equity	4,374,589	4,134,311	240,278

Note: Details of accumulated other comprehensive income (loss)

	As of June 30, 2023	As of March 31, 2023	Change
Foreign currency translation adjustments	378,527	232,893	145,634
Pension liability adjustments	(69,664)	(69,193)	(471)
Unrealized gains (losses) on derivatives	299	120	179

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

1st Quarter ended June 30

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023		Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022		Change	
					Amount	%
	%		%			
Revenue:	100.0	660,759	100.0	625,860	34,899	5.6
Cost of sales:	60.2	397,585	59.3	371,411	26,174	7.0
Gross profit	39.8	263,174	40.7	254,449	8,725	3.4
Operating expenses:						
Selling, general and administrative	26.1	172,319	26.8	167,326	4,993	3.0
Research and development	5.8	38,638	6.0	37,573	1,065	2.8
	31.9	210,957	32.8	204,899	6,058	3.0
Operating income	7.9	52,217	7.9	49,550	2,667	5.4
Other income (expenses):						
Interest and dividend income		3,691		2,079	1,612	
Interest expense		(2,157)		(870)	(1,287)	
Foreign exchange gains (losses), net		2,229		3,271	(1,042)	
Gains (losses) on equity securities, net		11,212		(759)	11,971	
Other, net		2,105		1,924	181	
	2.6	17,080	0.9	5,645	11,435	202.6
Income before income taxes	10.5	69,297	8.8	55,195	14,102	25.5
Income taxes	2.5	16,639	2.5	15,714	925	5.9
Equity in net earnings (losses) of affiliated companies	0.1	717	0.3	1,876	(1,159)	(61.8)
Net income	8.1	53,375	6.6	41,357	12,018	29.1
Less: Net (income) loss attributable to the noncontrolling interests	0.1	1,037	0.0	7	1,030	14,714.3
Net income attributable to FUJIFILM Holdings	8.2	54,412	6.6	41,364	13,048	31.5

(Consolidated Statements of Comprehensive Income)**1st Quarter ended June 30**

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023	Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022	Change
Net income	53,375	41,357	12,018
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on securities	—	40	(40)
Foreign currency translation adjustments	141,145	113,403	27,742
Pension liability adjustments	22	450	(428)
Unrealized gains on derivatives	179	20	159
Total	141,346	113,913	27,433
Comprehensive income	194,721	155,270	39,451
Less: Comprehensive (income) loss attributable to noncontrolling interests	5,033	(1,770)	6,803
Comprehensive income attributable to FUJIFILM Holdings	199,754	153,500	46,254

(3) Consolidated Statements of Cash Flows

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023	Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022	Change
Operating activities			
Net income	53,375	41,357	12,018
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	35,954	35,072	882
(Gains) losses on equity securities	(11,212)	759	(11,971)
Equity in net (gains) losses of affiliated companies, net of dividends received	(399)	(1,753)	1,354
Changes in operating assets and liabilities:			
Notes and accounts receivable	43,304	23,277	20,027
Inventories	(39,293)	(62,473)	23,180
Notes and accounts payable - trade	(860)	(5,114)	4,254
Changes in other current assets	(12,837)	(10,868)	(1,969)
Accrued income taxes and other liabilities	7,155	(1,080)	8,235
Other	(516)	(4,450)	3,934
Subtotal	21,296	(26,630)	47,926
Net cash provided by operating activities	74,671	14,727	59,944
Investing activities			
Purchases of property, plant and equipment	(93,387)	(51,969)	(41,418)
Purchases of software	(7,955)	(11,280)	3,325
Proceeds from sales and maturities of marketable and investment securities	3,590	3,752	(162)
Purchases of marketable and investment securities	(7)	(3)	(4)
(Increase) decrease in time deposits, net	(1,904)	(1,895)	(9)
Acquisitions of businesses, net of cash acquired	-	(14,812)	14,812
Other	1,118	(5,824)	6,942
Net cash used in investing activities	(98,545)	(82,031)	(16,514)
Financing activities			
Proceeds from long-term debt	-	120,000	(120,000)
Repayments of long-term debt	(4,990)	(892)	(4,098)
Increase (decrease) in short-term debt, net	90,211	1,376	88,835
Cash dividends paid to shareholders	(28,077)	(22,044)	(6,033)
Subsidiaries' cash dividends paid to noncontrolling interests	(12,334)	-	(12,334)
Purchases of stock for treasury	(7)	(4)	(3)
Capital transactions with noncontrolling interests and other	(58,144)	(1,205)	(56,939)
Net cash provided by (used in) financing activities	(13,341)	97,231	(110,572)
Effect of exchange rate changes on cash and cash equivalents	18,635	21,797	(3,162)
Net increase (decrease) in cash and cash equivalents	(18,580)	51,724	(70,304)
Cash and cash equivalents at beginning of period	268,608	486,328	(217,720)
Cash and cash equivalents at end of period	250,028	538,052	(288,024)

(4) Notes to Consolidated Financial Statements**(Note Relating to the Going Concern Assumption)**

N/A

(Segment Information)**a. Revenue**

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023		Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022		Change	
					Amount	%
Revenue:	%		%			
Healthcare:						
External customers	31.3	206,829	29.3	182,850	23,979	13.1
Intersegment		4		7	(3)	-
Total		206,833		182,857	23,976	13.1
Materials:						
External customers	23.4	154,460	27.5	172,318	(17,858)	(10.4)
Intersegment		240		350	(110)	-
Total		154,700		172,668	(17,968)	(10.4)
Business Innovation:						
External customers	29.4	194,240	30.0	188,233	6,007	3.2
Intersegment		1,763		2,372	(609)	-
Total		196,003		190,605	5,398	2.8
Imaging:						
External customers	15.9	105,230	13.2	82,459	22,771	27.6
Intersegment		351		899	(548)	-
Total		105,581		83,358	22,223	26.7
Eliminations		(2,358)		(3,628)	1,270	-
Consolidated total	100.0	660,759	100.0	625,860	34,899	5.6

b. Operating income

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023		Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022		Change	
					Amount	%
Operating Income (Loss):	%		%			
Healthcare	5.0	10,323	6.2	11,362	(1,039)	(9.1)
Materials	6.0	9,347	12.9	22,299	(12,952)	(58.1)
Business Innovation	8.6	16,856	7.4	14,200	2,656	18.7
Imaging	22.1	23,308	12.6	10,542	12,766	121.1
Total		59,834		58,403	1,431	2.5
Corporate expenses and eliminations		(7,617)		(8,853)	1,236	-
Consolidated total	7.9	52,217	7.9	49,550	2,667	5.4

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

Healthcare: Equipment and materials for medical systems, contract development and manufacturing organization of biopharmaceuticals, drug discovery support such as iPS cells, cell culture media and reagents, pharmaceuticals, cosmetics and supplements, etc.

Materials:	Electronic materials, display materials, industrial equipment, fine chemicals, equipment and materials for graphic communication, inks and industrial inkjet printheads, etc.
Business Innovation:	Digital MFPs, solutions and services, etc.
Imaging:	Instant photo systems, color films, services and equipment for photofinishing, digital cameras and optical devices, etc.

c. Overseas revenue (Destination Base)

Amount Unit: Millions of yen

	Three months ended June 30, 2023 From April 1, 2023 To June 30, 2023		Three months ended June 30, 2022 From April 1, 2022 To June 30, 2022		Change	
					Amount	%
Revenue:	%		%			
Domestic	36.2	239,040	35.8	223,947	15,093	6.7
Overseas:						
The Americas	22.2	146,518	21.4	133,662	12,856	9.6
Europe	13.6	89,926	15.1	94,237	(4,311)	(4.6)
Asia and others	28.0	185,275	27.7	174,014	11,261	6.5
Subtotal	63.8	421,719	64.2	401,913	19,806	4.9
Consolidated total	100.0	660,759	100.0	625,860	34,899	5.6

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

(Note on Significant Changes to FUJIFILM Holdings Shareholders' Equity)

N/A