



Fujifilm Announces Breakthrough in Magnetic Recording Media - Nano Cubic Technology

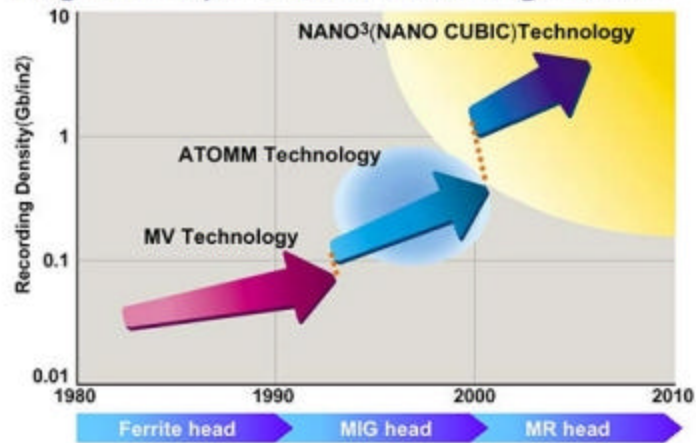
New Coating Technology Has One-Tenth Thickness of Current Magnetic Layers With More than 10 Times Greater Recording Densities - Potential for 1TB Data Storage and Video Tapes, Plus 3GB Magnetic Flexible Disks

Elmsford, NY, November 6, 2001 - Fuji Photo Film U.S.A., Inc. today announced a significant breakthrough in magnetic recording media technology that will exponentially increase the capacity of magnetic media. **NANO CUBIC technology** is an ultra-thin layer coating that results in higher resolution for recording digital data, ultra-low noise and high signal-to-noise ratios that are ideal for magneto-resistive (MR) heads. It is capable of catapulting data cartridge and digital videotape to one-terabyte native (uncompressed) capacities and floppy disk capacities to three gigabytes native. To help visualize the potential, 1TB can store up to 200 two-hour movies.

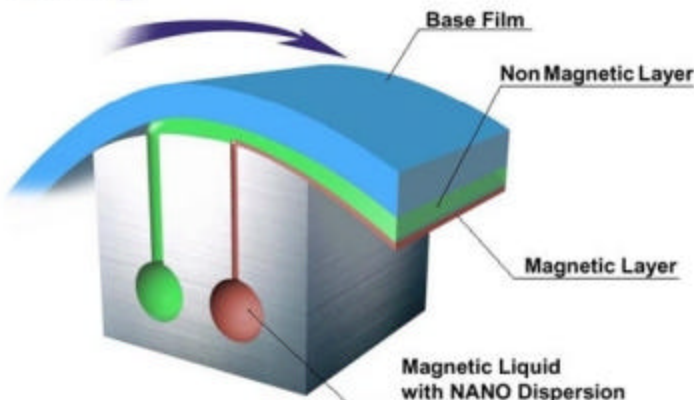
What sets the **NANO CUBIC** coating technology apart is its ability to be applied cost-effectively to a mass production manufacturing process while requiring only small modifications to current coating equipment for application. Fujifilm is beginning to work with drive manufacturers to develop new, high capacity magnetic storage products using **NANO CUBIC technology**.

"With data storage a key component of corporations' strategic business plans, a new technology breakthrough was needed to handle the rapidly increasing volumes of digital information," said Stanley E. Freimuth, Executive Vice President and Chief Operating Officer, Fuji Photo Film U.S.A., Inc. "**With NANO CUBIC technology**, Fujifilm is at the forefront of a benchmark moment in technological innovation, one that will lead to products that will take our customers and end users to new levels of performance."

Evolution of Recording Density with Magnetic Layer Coated Recording Medium



NANO Coating



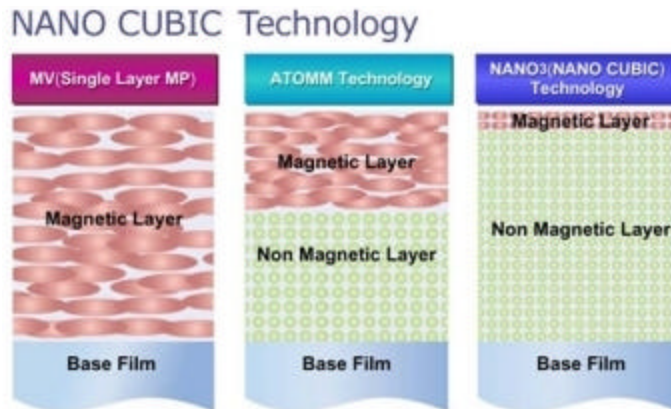
Fujifilm is no stranger to developing technological breakthroughs in magnetic recording media. In 1992 Fujifilm introduced ATOMM (an acronym for Advanced super Thin layer and high Output Metal Media), the metal particle coating technology that promised great leaps in storage capacity, performance and reliability.

Within a few short months of ATOMM's announcement, a Fujifilm relationship with Iomega Corporation led to the development of the Zip™ data storage system,

which brought disk capacity from 1.44MB to 100MB and then 250MB, launching the high-capacity floppy disk category. Later, a similar relationship with Quantum Corporation resulted in DLTtape™ IV data cartridges that offered a then-unrivalled capacity of 20GB (uncompressed) with the DLT 4000 drive. Today, DLTtape IV is the de facto standard for the mid-range back-up tape segment. In recent times, ATOMM was the catalyst in enabling Fujifilm to be the first media manufacturer to deliver LTO Ultrium™ 1 data cartridges to market.

In the video segment, ATOMM applications led to the development of advanced broadcast products such as DVCPRO and D9 (Digital-S) professional videocassettes.

"**NANO CUBIC technology** is more than just an extension of Fujifilm's successful ATOMM technology," said Steve Solomon, Senior Vice President and General Manager, Computer Products Division, Fuji Photo Film U.S.A., Inc. "Its nano-thin layer of magnetic particles makes it possible to record digital data at exponentially higher densities, and should drive the tape market into the next generation of products. Significant breakthroughs like **NANO CUBIC technology** and efficient manufacturing ensure Fujifilm's continued growth and leadership position in the data storage media business."



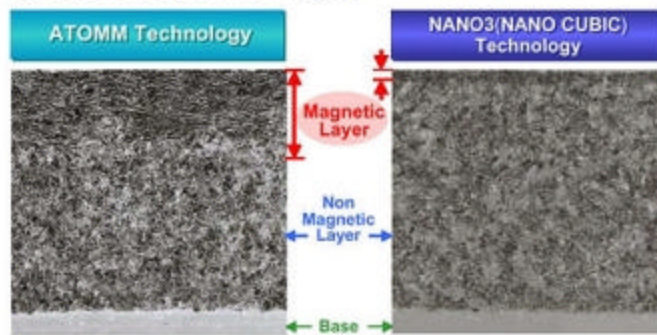
"As a pioneer of high quality professional and consumer audio and video products, Fujifilm's focus is to develop media technologies that support the storage needs of all of our customers," said Stan Bauer, Vice President and General Manager, Magnetic Markets Division, Fuji Photo Film U.S.A., Inc. "Fujifilm's **NANO CUBIC technology** is expected to contribute greatly to the development of future high-capacity recording systems for the broadcast and entertainment industries while underscoring the long-term viability of tape as a recording medium."

"With Nano Cubic technology, Fujifilm is at the forefront of a benchmark moment in technological innovation..."

NANO CUBIC technology consists of:

- **NANO Coating technology**: **NANO CUBIC technology** employs an advanced precision coating process that can control the thickness of the magnetic layer on a nanometer scale.
- **NANO Particle technology**: Two types of magnetic particles were developed for NANO CUBIC technology, both tens of nanometers in size: **acicular ferromagnetic alloy particle** and **tabular ferromagnetic hexagonal barium ferrite particle**.
- **NANO Dispersion technology**: **NANO CUBIC technology** uses a special organic binder material that has the ability to thoroughly disperse the particles in the coating solution so that a uniformly packed structure of the layer is realized.

Photograph of Cross-Section of Tape



Applications in development include: magnetic storage tape, both for helical scan and linear recording formats; high-capacity floppy disks; high-definition, long-duration digital video tape for broadcast and home use; and data and video storage tape for home network servers. High-end tape storage products for enterprise applications are also possible **with NANO CUBIC technology**.

A graphical explanation of **NANO CUBIC technology** is available upon request or can be reviewed at

www.fujifilmmediasource.com, the data storage-specific Web site for Fujifilm USA's Computer Products Division. To contact the Computer Products Division, please call 800-488-FUJI (3854).

About Fujifilm Fuji Photo Film U.S.A., Inc. is the U.S. marketing subsidiary of Fuji Photo Film Co., Ltd. of Tokyo (FUJIIY), a leading global manufacturer of imaging and information products. Recognized for its technological innovation and high quality, Fujifilm offers a complete portfolio of imaging and information products, services and e-solutions to retailers, consumers, professionals and business customers.

The complete Fujifilm product portfolio includes: professional and consumer film and cameras; digital imaging products, including cameras and printers for commercial and consumer use; digital minilabs and kiosks; photographic paper and photofinishing supplies; professional motion picture film; high-capacity floppy disks, CDs and DVDs, tape cartridges and other data storage media; professional and consumer videotape and audiocassettes; professional and consumer optical discs; microfilm and other micrographic products; graphic arts film, conventional and digital printing plates, analog and digital color proofing systems, drum and flatbed scanners, imagesetters and computer-to-plate systems.

Fujicolor Processing, Inc., a subsidiary of Fuji Photo Film U.S.A., Inc., provides wholesale photofinishing and digital imaging services through a network of laboratories across the country.

For more information on other Fujifilm products, consumers are encouraged to call 1-800-800-FUJI (3854) or visit www.fujifilm.com.

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Taking into account the foregoing, the following are identified as important factors, risks or uncertainties that could cause actual results to differ materially from those expressed in any forward-looking statement made by Fujifilm: consumer acceptance, changes in competitive environment, technological advances and general economic conditions.

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