Second quarter for fiscal year ending March 2019

Materials for Financial Result Briefing

FUJI CORPORATION

Contents

- Company overview
- Financial summary
- Financial forecast for FY2019
- Reference information

Company overview

About FUJI

Established: April 7, 1959

Capital: 5.878 billion yen (March 2018)

Employees: 2,229 (March 2018)

Sales: 120 billion yen (March 2018)

Operating profit: 22.8 billion yen (March 2018)

Ordinary profit: 23.5 billion yen (March 2018)

Main products: Electronic component mounter
robots, machine tools

International locations: United States, Germany,
China, Brazil, etc

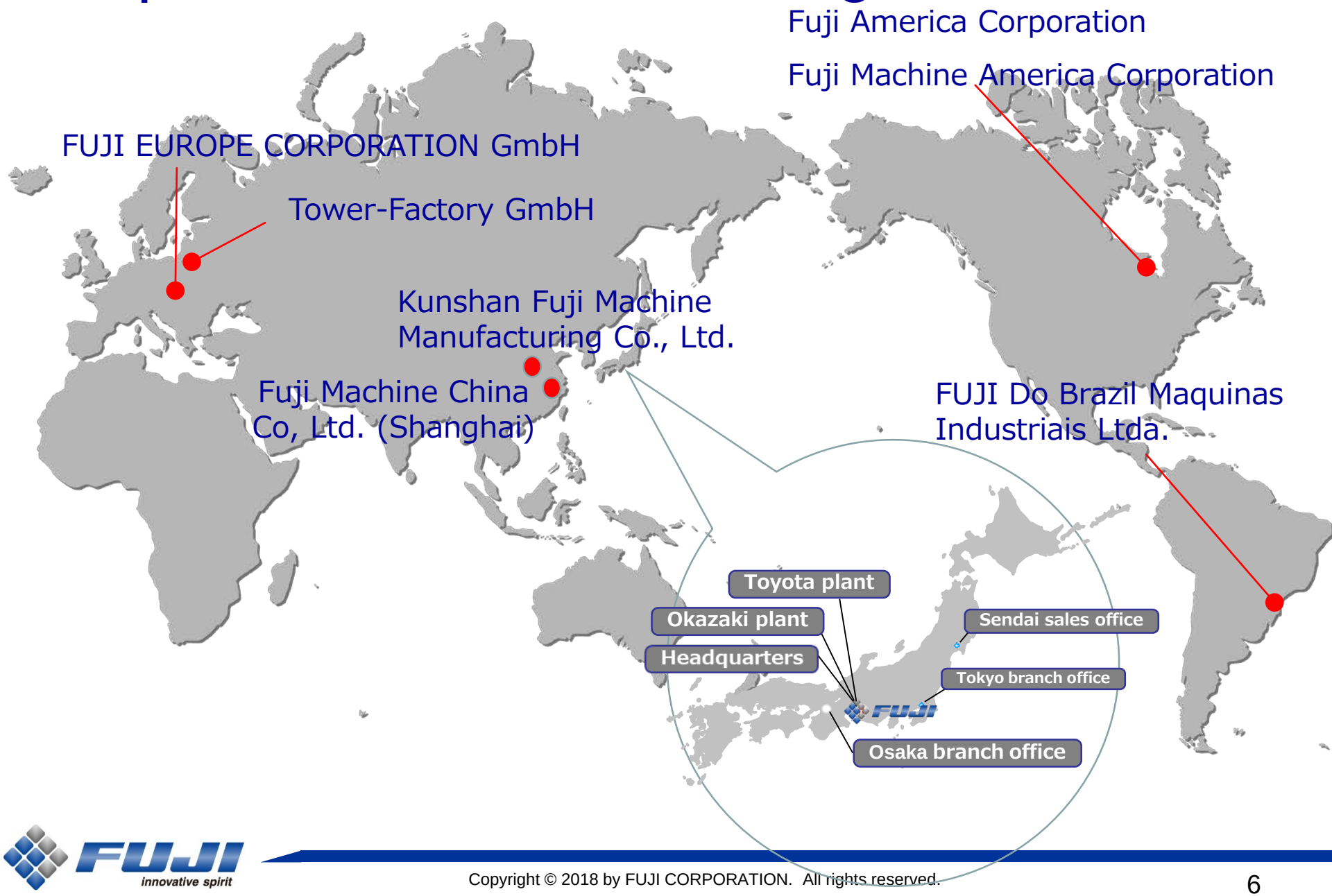
Headquarters (Chiryu city, Aichi prefecture)

History

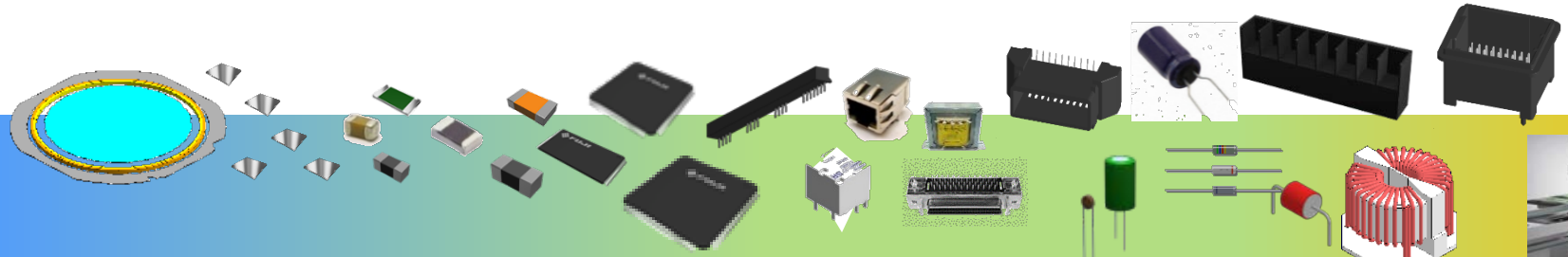
1959	Fuji Machine Manufacturing Co., Ltd. was established in the Nakagawa ward of Nagoya city
1970	Founded Fuji America Corporation in United States. (Currently a consolidated subsidiary)
1971	Developed NC automatic lathes
1978	Developed the automatic electric part insertion machine – BA
2003	Developed the Fuji Scalable Placement Platform – NXT
2008	Developed the Ultra High Density Atmospheric Pressure Plasma Unit - Tough Plasma
2013	Stock listed on the First Section of the Tokyo Stock Exchange
	Developed the modular production equipment - DLFn ("Dolphin") lathe module
2014	Opened a new factory in Kunshan, China
2016	Developed the Public Stocker System – Quist
	Developed the Mobility Support Robot - Hug T1
	Opened the complex "THANK"
2017	Developed the Compact Multijoint Robot – SmartWing
2018	Changed the company name from Fuji Machine Manufacturing Co., Ltd. to FUJI CORPORATION Made Fasford Technology Co., Ltd. formalized as a consolidated subsidiary

FUJI innovative spirit

Japan and international regional offices



Robotic Solutions Division



Die

SMD

Insertion parts

Assembly

NXT-H

NXT III
Fuji Scalable Placement Platform

AIMEX III
AIMEX IIIc

sFAB-α

sFAB-D

SmartWing

The key system
for your smart factory

Nexim

Printer related

GPX-C

Plasma related

Tough Plasma

Logistics,
e-commerce related

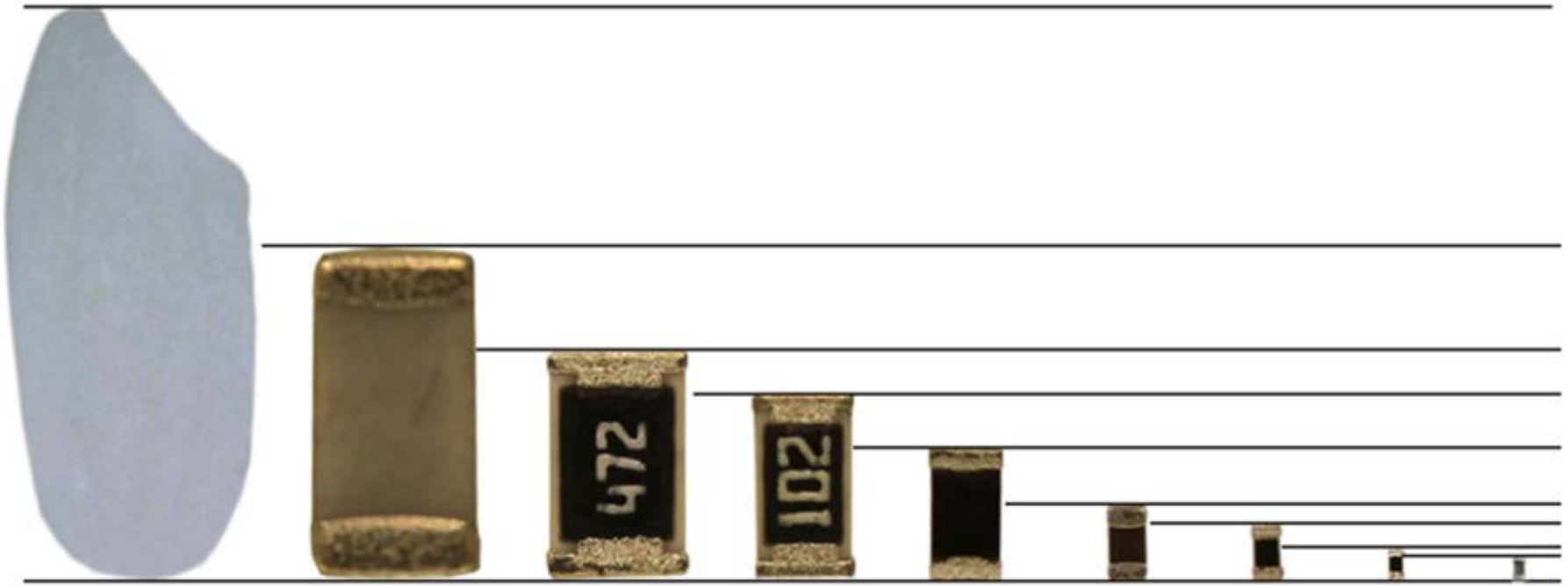
Quist

Care related

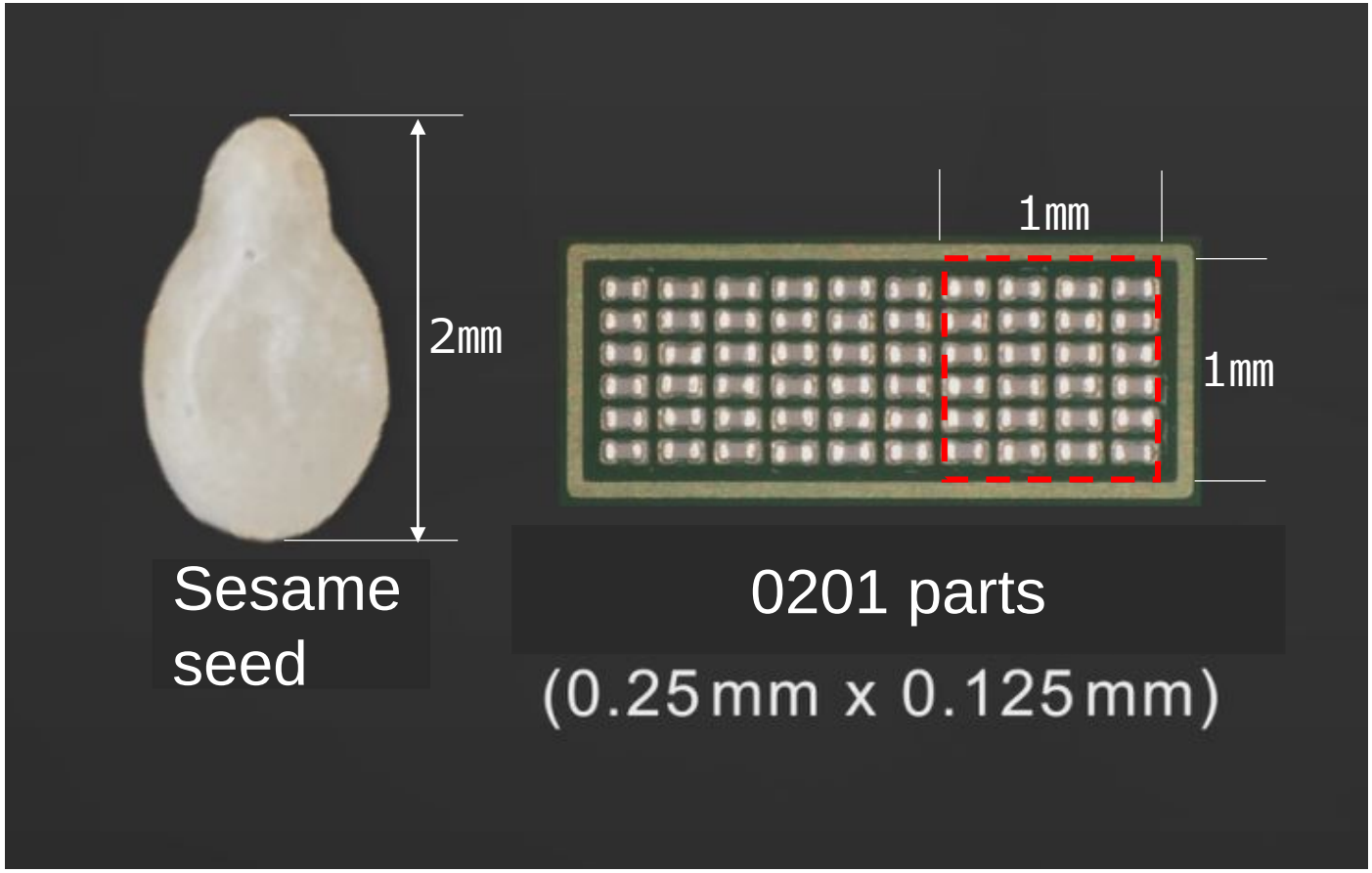
Hug
Mobility Support Robot

FUJI
innovative spirit

The size of electronic parts to be placed will continue to become smaller



The size of main parts in smartphones will be 0402



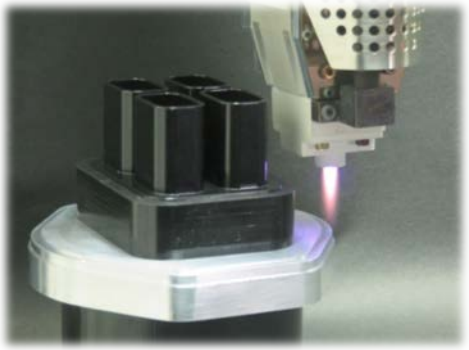
Can place 24 0201 mm (008004") parts in approximately 2 seconds in a 1 x 1 mm area (part gap: 0.05 mm)

This advanced plasma technology changes manufacturing

Ultra High Density Atmospheric Pressure Plasma Unit

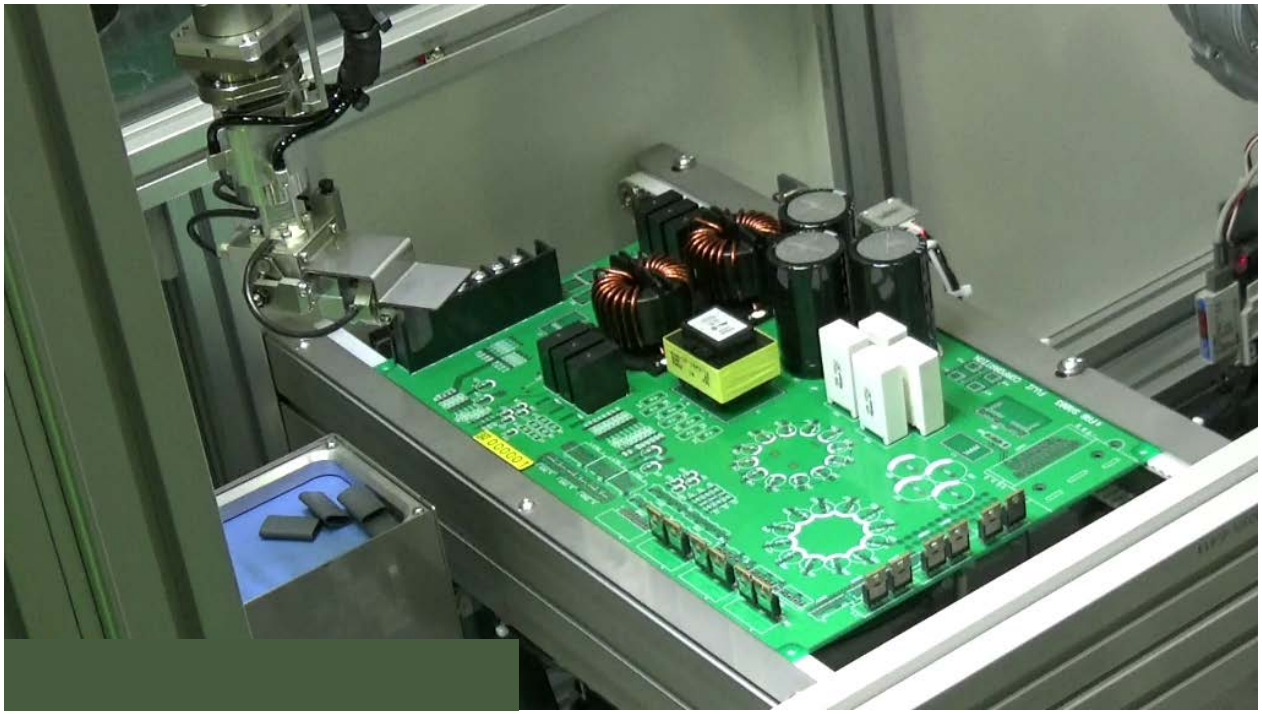
Tough Plasma

Processing before connecting different materials such as those for automotive, aerospace, and medical fields



Compact multijoint robot SmartWing

- A vision system is equipped as standard.
- By incorporating coordinate correction technology and vision data into the operation of the robot itself, teaching work is not required. This reduces the set up time that would be expected when using conventional robots by approximately 40% (comparison based on FUJI data).
- The robot is also easy to operate using pre-registered building blocks that make up the "what" and "where" sections of the program that designates how the robot will operate.



Nikkan Kogyo Shimbun
Won the Review Committee Special Award
in the 48th Machine Design Awards

Mobility Support Robot

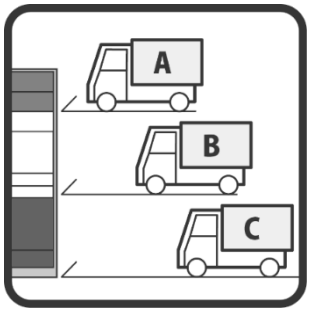
Hug
Mobility Support Robot

Mobility support robot for caregiving at homes, Hug L1

- Concept: Caregiving robot that is easy to use by anyone at anytime
- Sales model: Rental (possible to buy)
- Differences from Hug T1 designed for caregiving facilities
  - ①Small size and lightweight to match home environments
  - ②Offer in a price range affordable by home users
  - ③Simple operation with just two buttons
- Exhibition dates: November 12 to 15, 2018
  MEDICA (Germany, Dusseldorf)
  October 13, 2018 to February 23, 2019
  Caregiving robot forum (15 locations in Japan)
- Acquired codes: TAIS code
  (for lending equipment for social services)

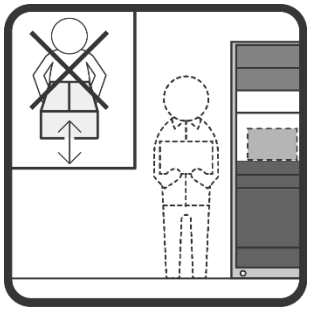
FUJI innovative spirit

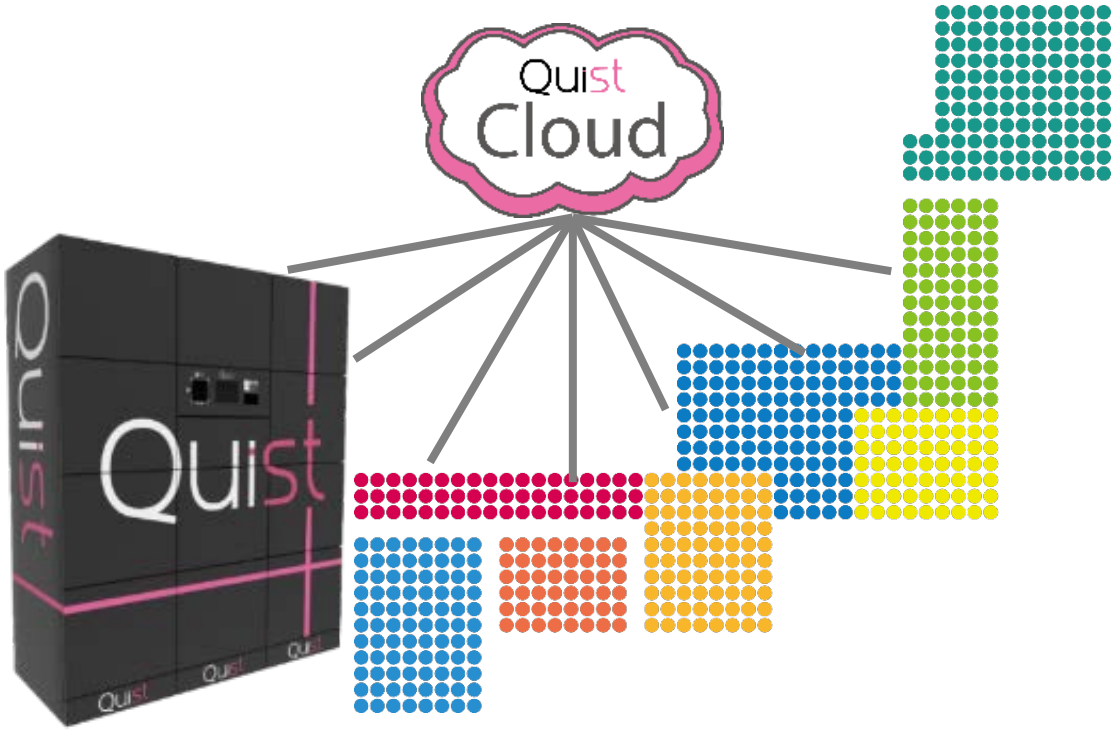
Public stocker system Quist



Multi-carrier

Multi-user


No operators



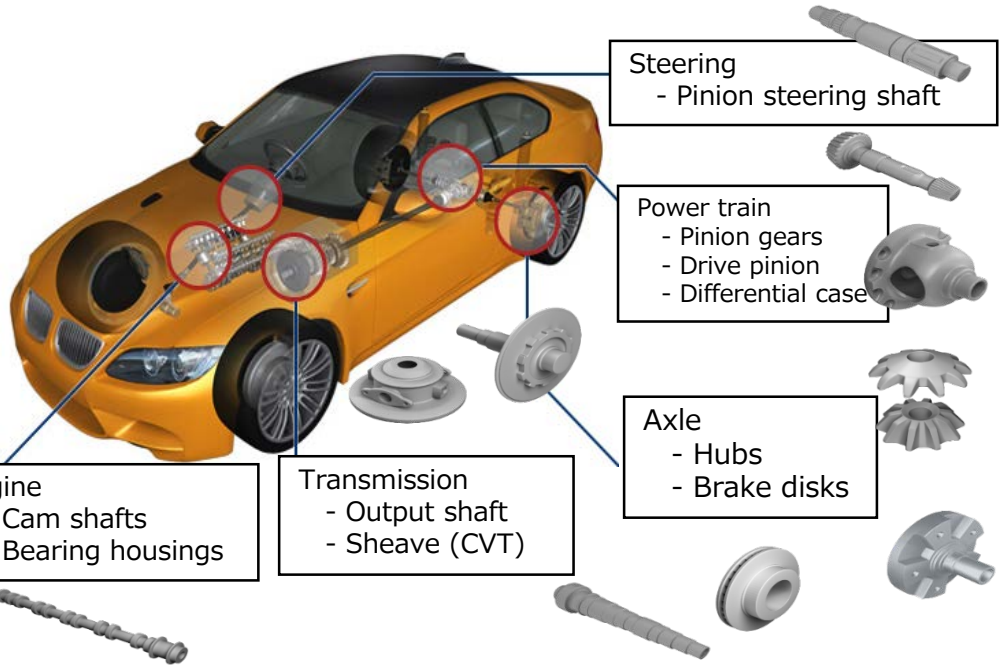
- Can be linked to systems from two major logistic carriers
- Participates in the CO2 emission reduction (redelivery reduction) project from Ministry of the Environment
- Industry top level dust and water protection (IP54)
- Future exhibitions

  February 13 to 15, 2019, Office Service EXPO (Nagoya)

  March 5 to 8, 2019, RETAILTECH (Tokyo)

FUJI innovative spirit

Machine Tools Division

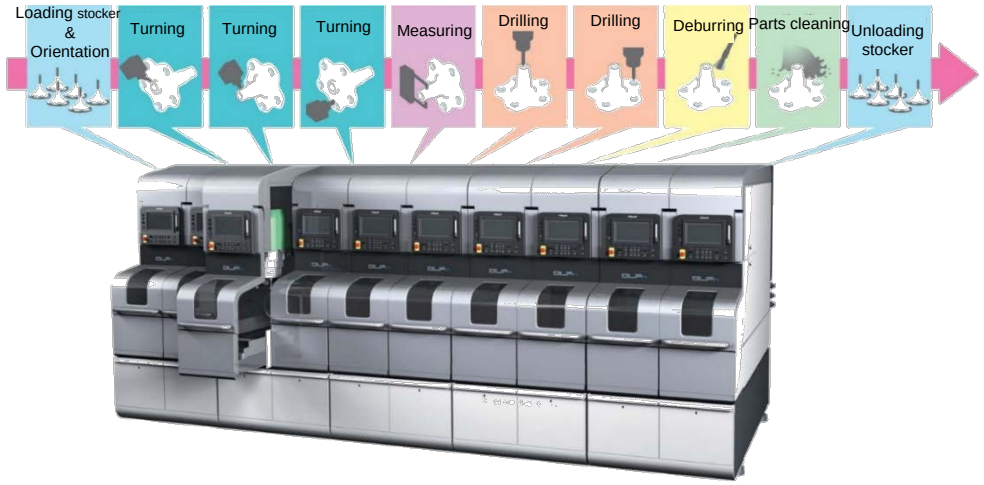


Front Facing Twin Spindle Lathe

CS SERIES

Modular Production Equipment

DLFn



Horizontal CNC Lathe TN series

TN SERIES

FUJI innovative spirit

CSR

39
THANK

39 teracoya THANK

39 thirty nine cafe

Financial summary

Financial points

- Due to the influence of US-China trade conflict, there appears to be a slowdown in growth in China, but capital investment in the manufacturing industry globally is steady.
- The Robotic Solutions Division has seen a cautious stance on capital investment in the communication related equipment market, but the automotive, server, and network related markets are strong.
- For the Machine Tools Division, orders and sales in China have remained steady while a spike in sales in North America have contributed to the final result.

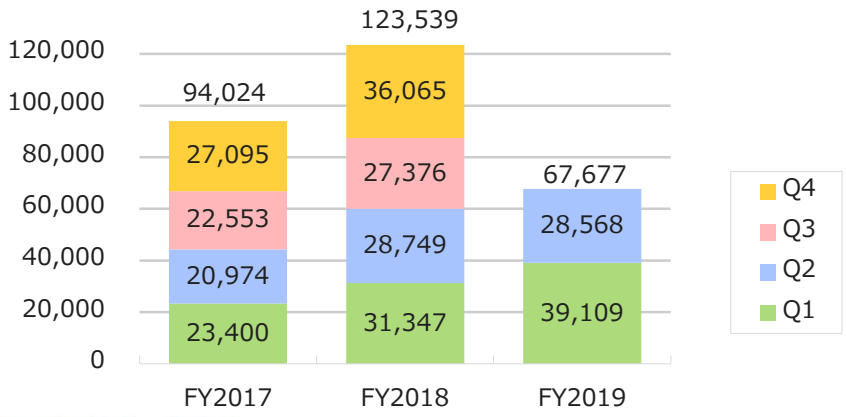
FUJI innovative spirit

Results for the second quarter compared to 2018

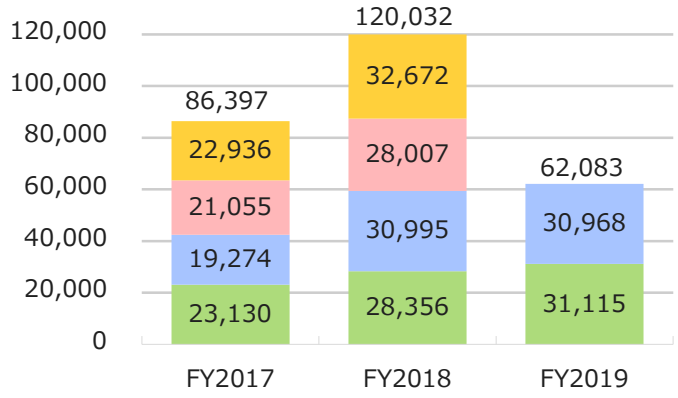
(Million yen)

	First half of FY2018 results	First half of FY2019 results	Compared to the same period last year	
			Amount	Ratio
Orders	60,097	67,677	+7,580	+12.6%
Sales	59,352	62,083	+2,731	+4.6%
Operating profit	10,688	11,535	+846	+7.9%
Ordinary profit	11,196	11,982	+785	+7.0%
Net profit for the period	7,884	8,670	+785	+10.0%

Orders

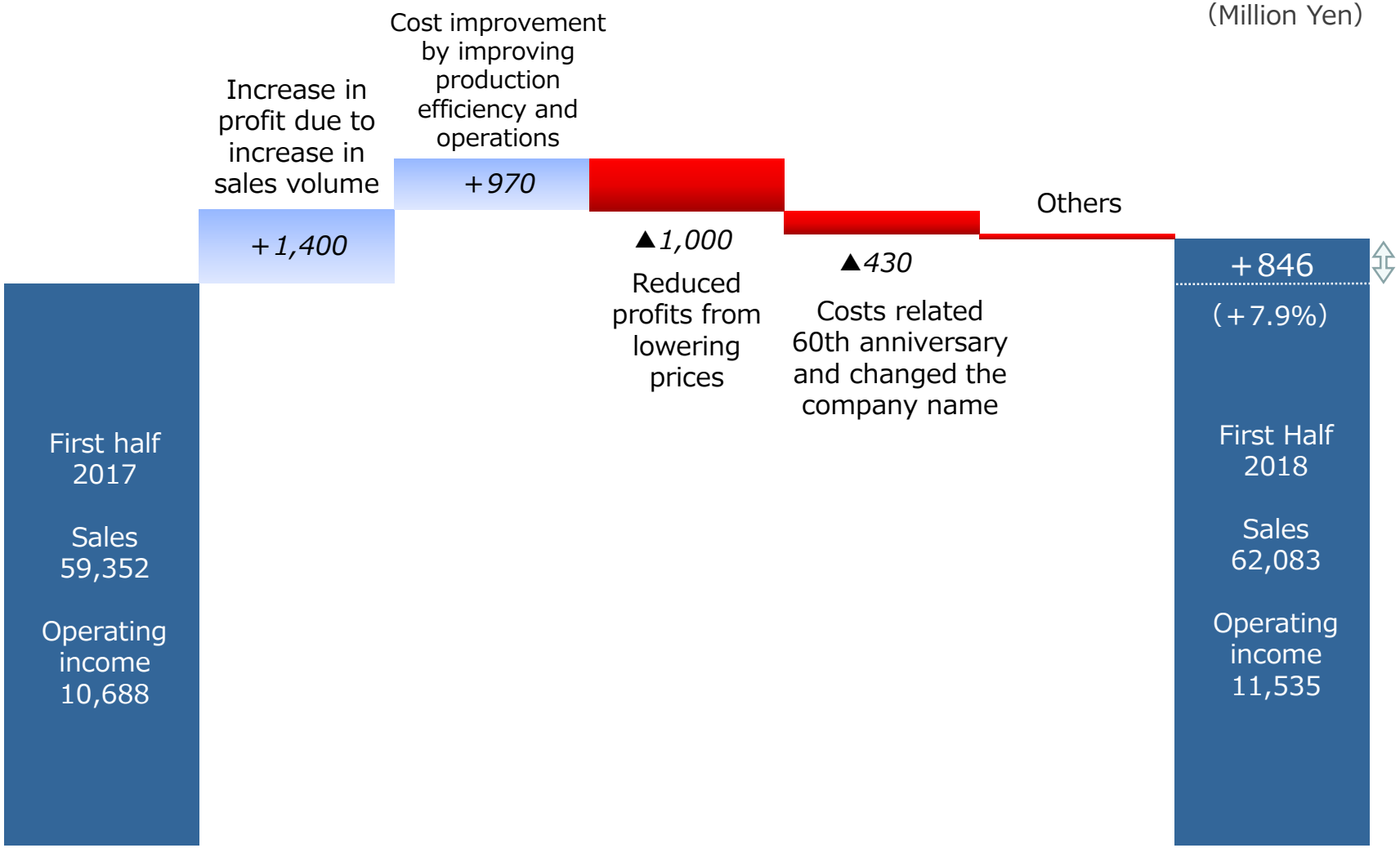


Sales



Operating Income Increase/Decrease Analysis

(Million Yen)

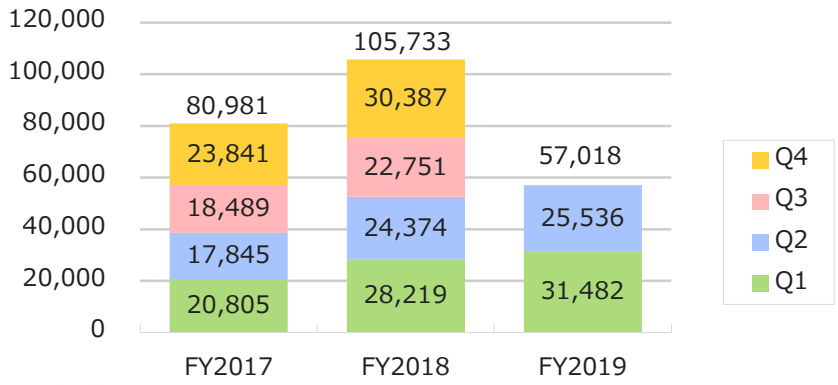


Robotic Solutions Division results

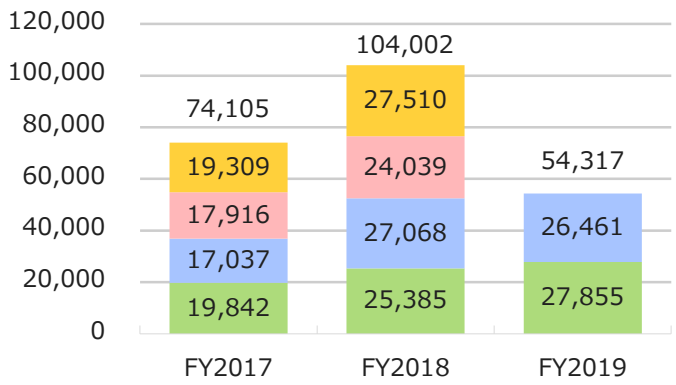
(Million yen)

	First half of FY2018 results	First half of FY2019 results	Compared to the same period last year	
			Amount	Ratio
Orders	52,594	57,018	+4,424	+8.4%
Sales	52,453	54,317	+1,863	+3.6%
Operating profit	12,352	13,103	+751	+6.1%
Order backlog	16,328	27,320	+10,992	+67.3%

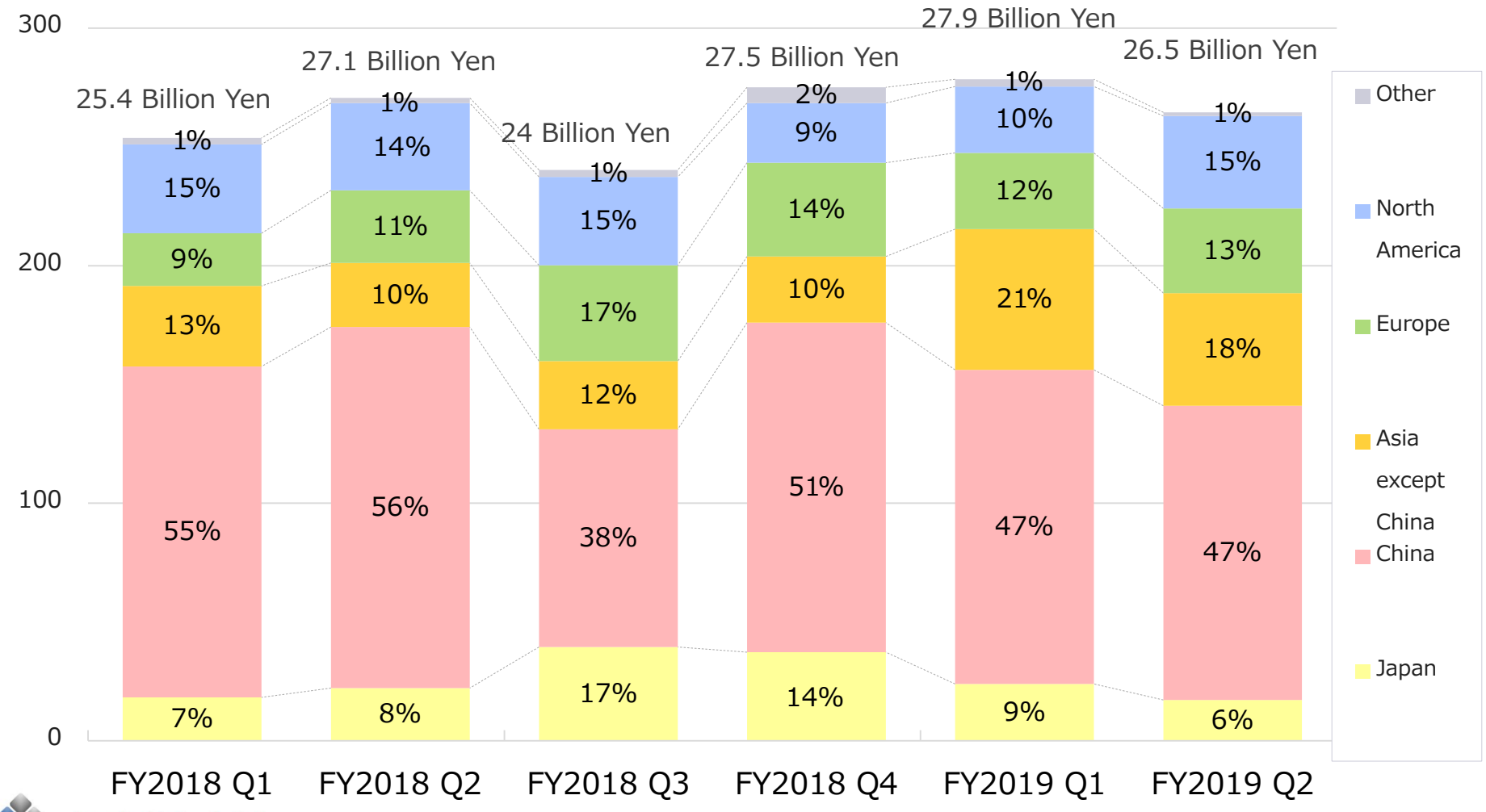
Orders



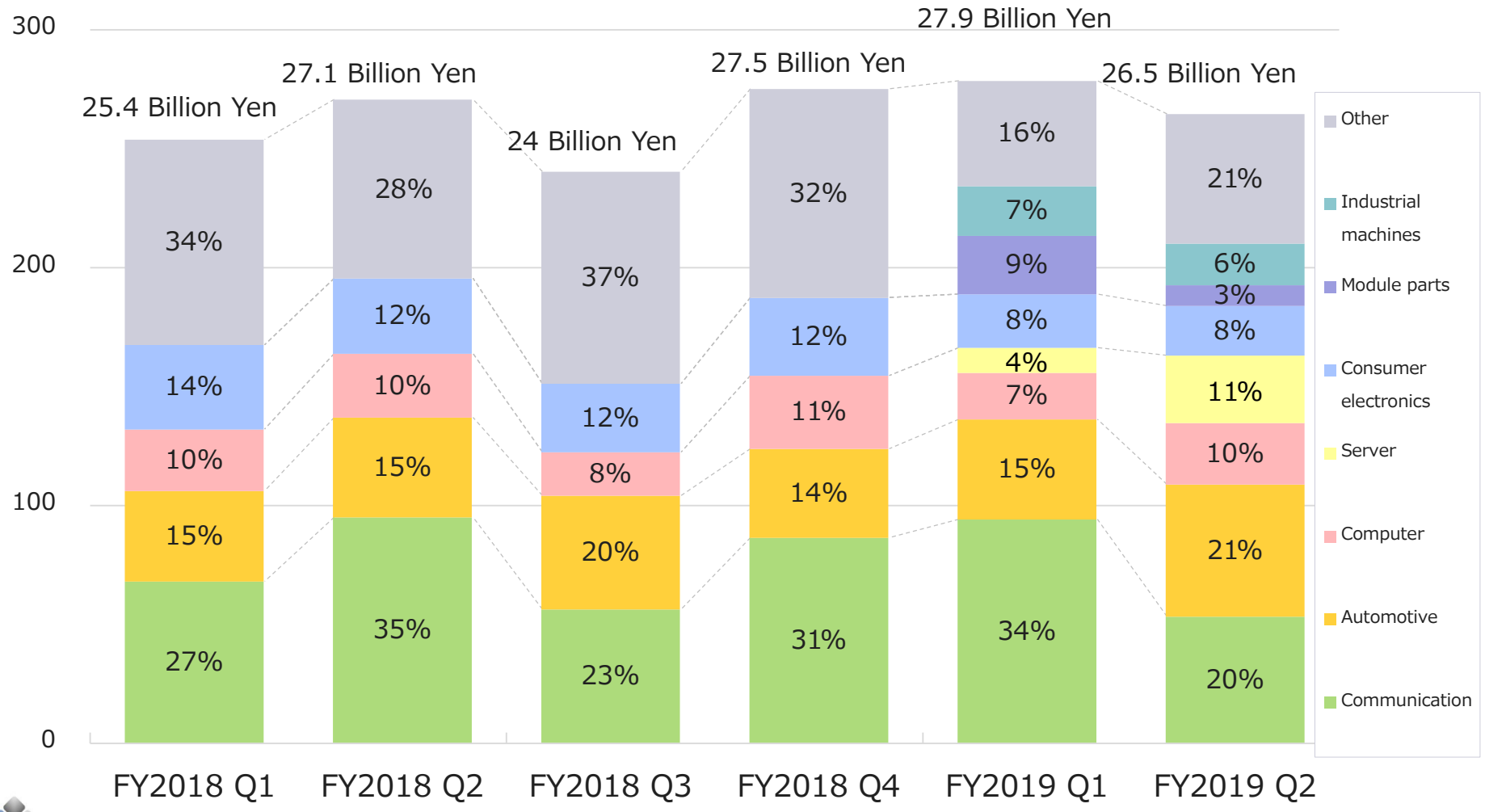
Sales



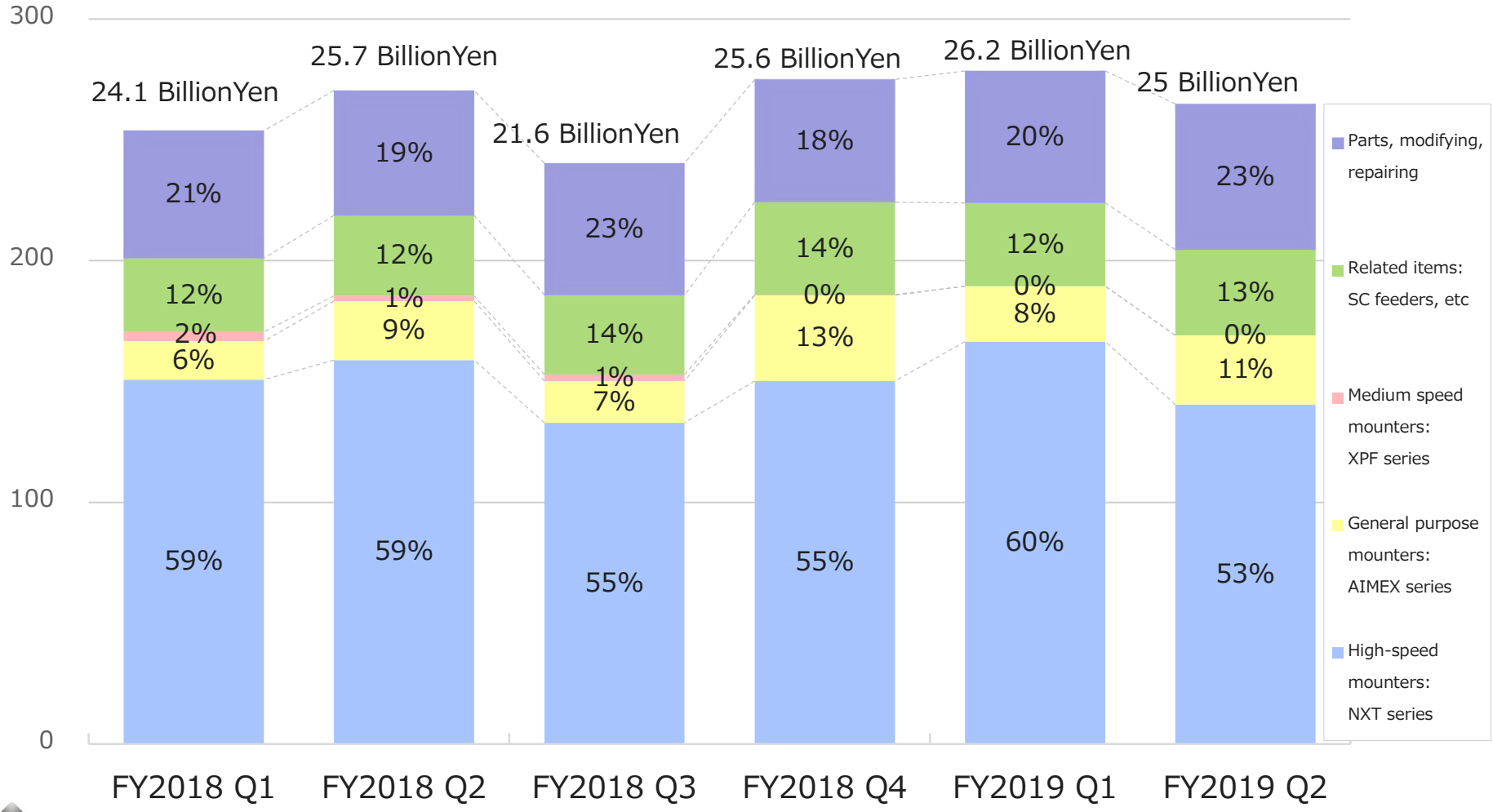
Robotic Solutions Division Sales trends by region



Robotic Solutions Division Sales by sector



Robotic Solutions Division
Sales trends by machine type

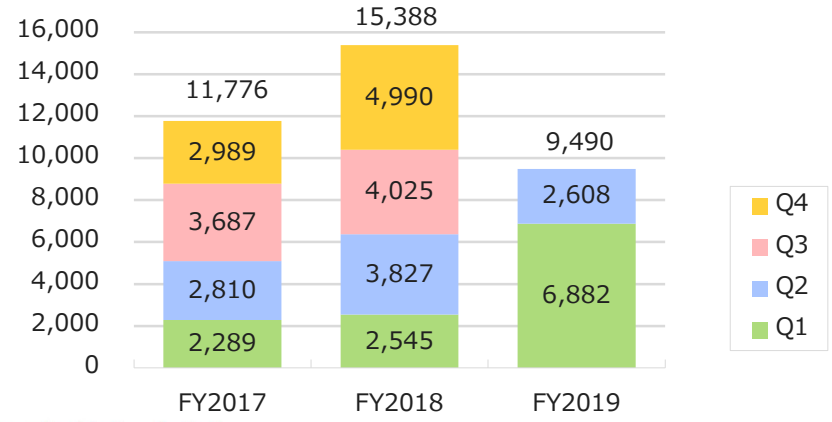


Machine Tools Division results

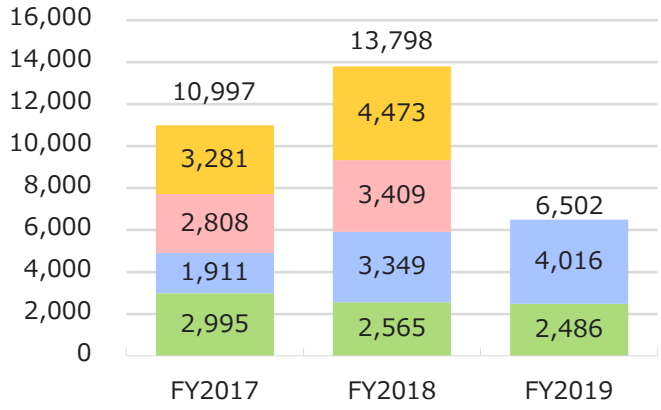
(Million yen)

	First half of FY2018 results	First half of FY2019 results	Compared to the same period last year	
			Amount	Ratio
Orders	6,372	9,490	+3,118	+48.9%
Sales	5,915	6,502	+587	+9.9%
Operating profit	53	388	+334	+620.9%
Order backlog	8,111	12,232	+4,121	+50.8%

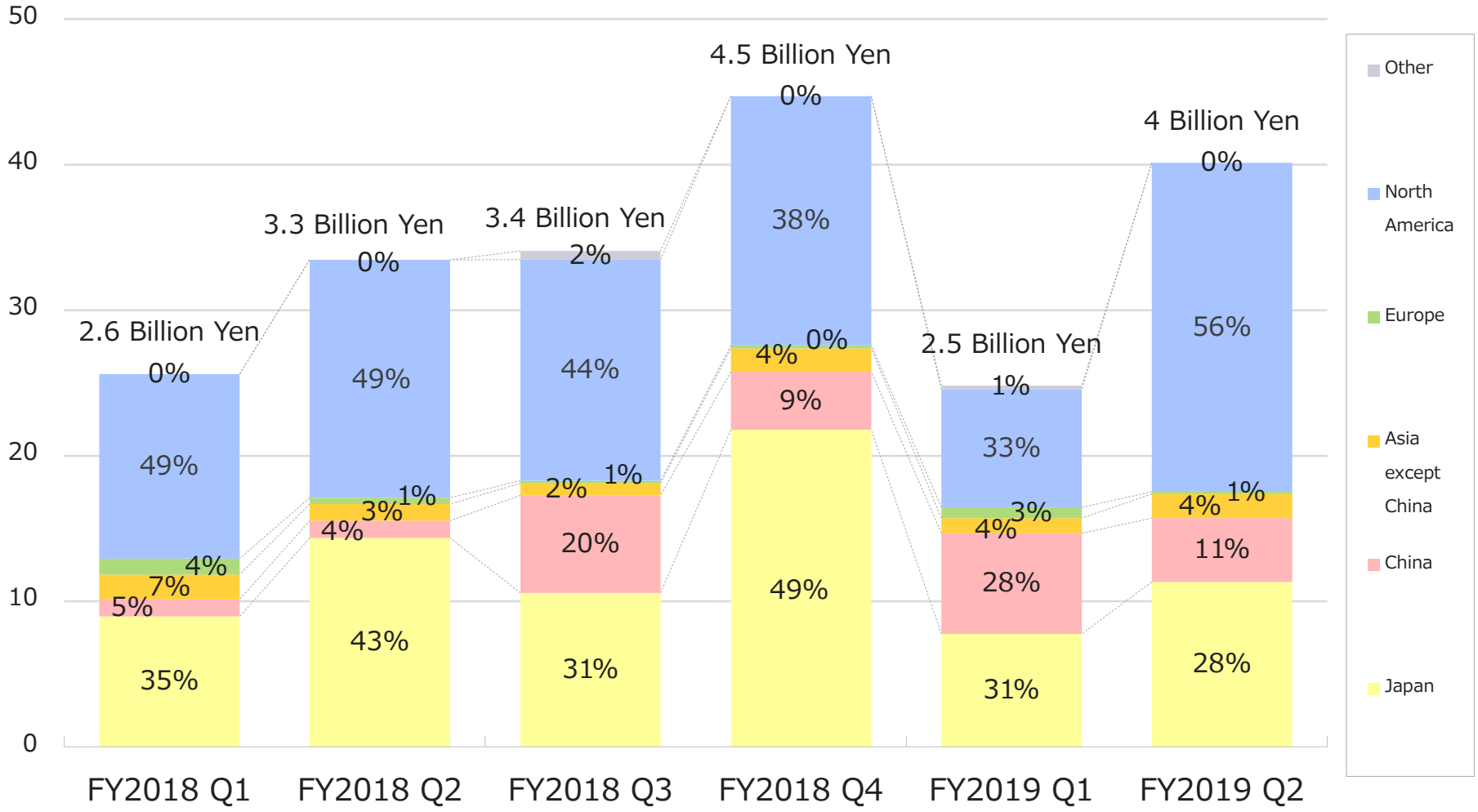
Orders



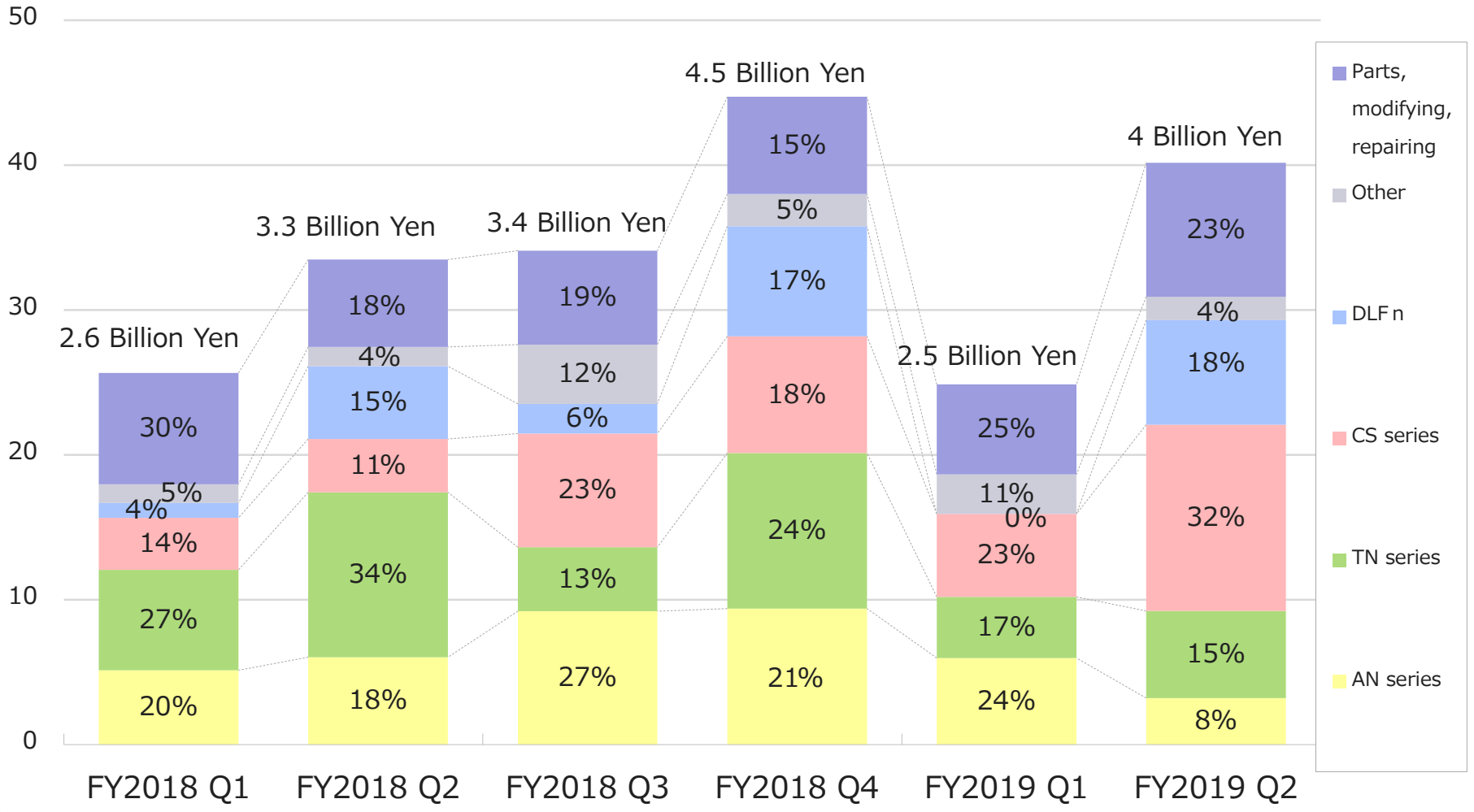
Sales



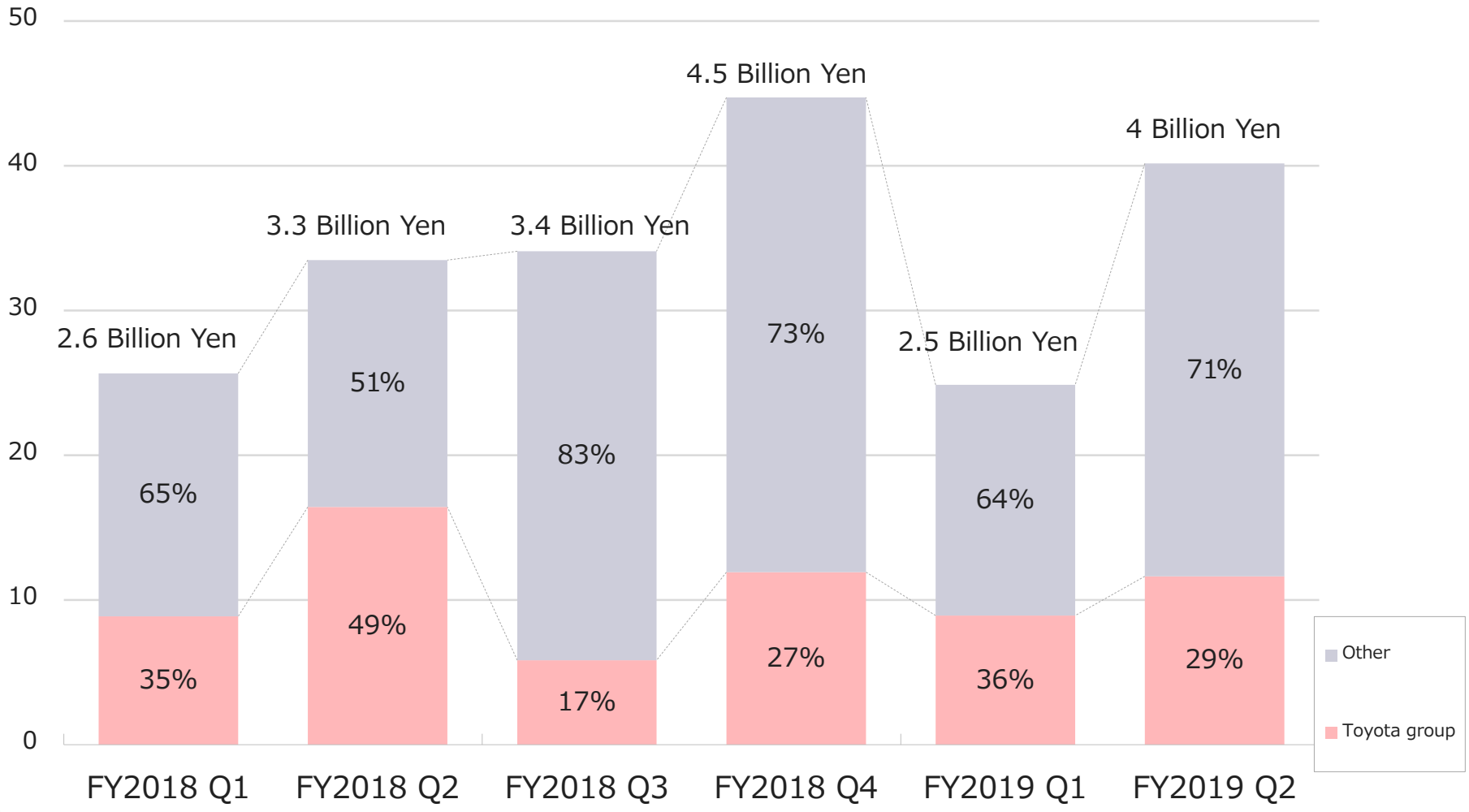
Machine Tools Division Sales trends by region



Machine Tools Division
Sales trends by machine type



Machine Tools Division Sales Trends to Toyota group



Financial forecast for FY2019

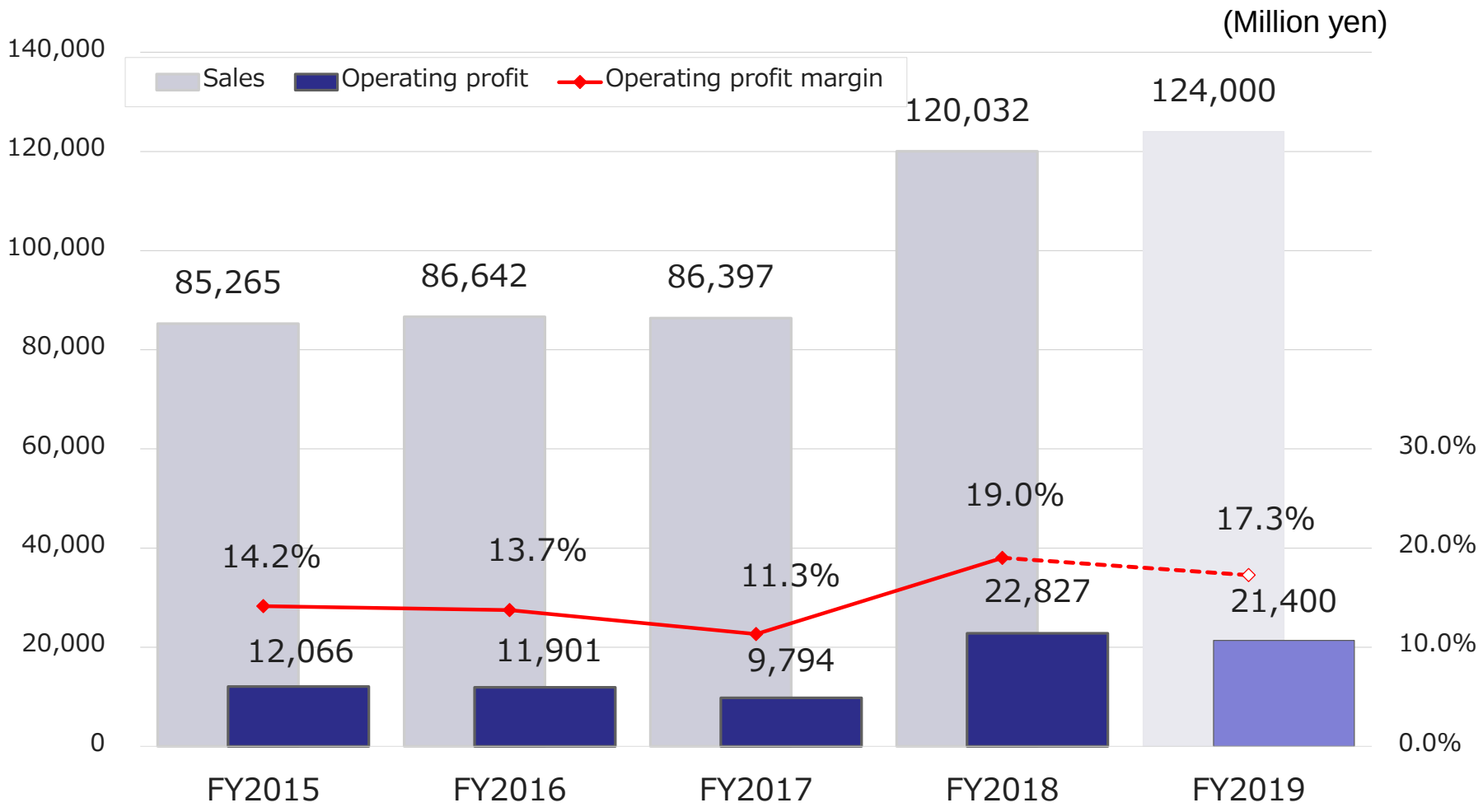
Consolidated results forecasts

- Changes from forecast released May 10, 2018

(Million yen)

	FY2018 financial results	Forecast for FY2019				
		Forecast released May 10, 2018	Current forecast	Compared to same period last year		Compared to previously released forecast
				Amount	Ratio	Amount
Orders	123,539	124,000	125,000	+1,460	+1.2%	+1,000
Sales	120,032	122,000	124,000	+3,967	+3.3%	+2,000
Operating profit	22,827	23,000	21,400	▲1,427	▲6.3%	▲1,600
Operating profit margin	19.0%	18.9%	17.3%	-	-	-
Ordinary profit	23,538	23,600	22,000	▲1,538	▲6.5%	▲1,600
Net profit for the period	17,523	16,800	15,800	▲1,723	▲9.8%	▲1,000

Consolidated sales and operating profit



Forecast of orders and sales for main segments

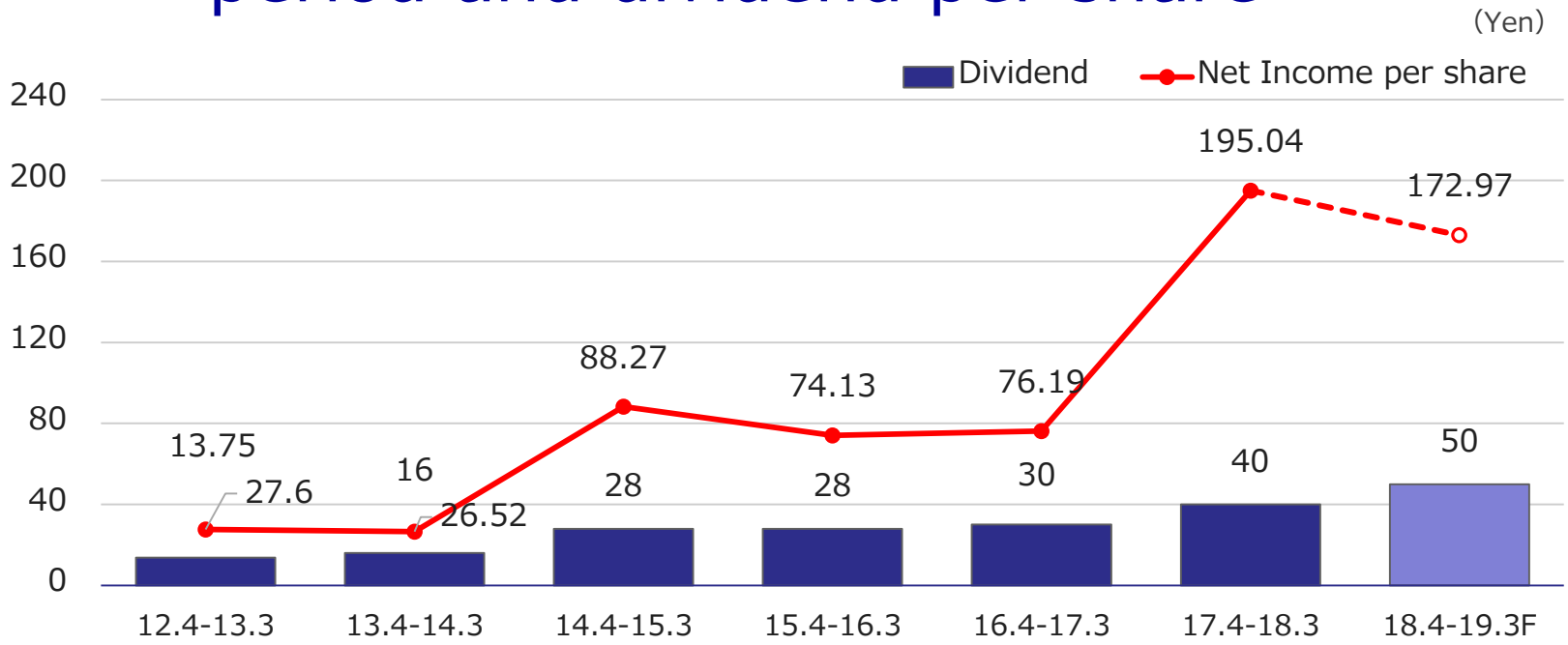
- Changes from forecast released May 10, 2018

(Million yen)

		FY2018 financial results	Forecast for FY2019				
			Forecast released May 10, 2018	Current forecast	Compared to same period last year		Compared to previously released forecast
					Amount	Ratio	Amount
Robotic Solutions	Orders	105,733	106,000	108,000	+2,266	+2.1%	+2,000
	Sales	104,002	105,000	108,000	+3,997	+1.0%	+3,000
	Order backlog	24,619	25,619	24,619	±0	-	△1,000
Machine Tools	Orders	15,388	15,000	15,000	▲388	▲2.5%	±0
	Sales	13,798	14,000	14,000	+202	+1.5%	±0
	Order backlog	9,244	10,244	10,244	+1,000	+10.8%	±0

Note: For the order backlog for the Robotic Solutions Division from this second quarter consolidated accounting period, we have retroactively corrected backlog orders received for Fasford Technology Co., Ltd., from the full-year results for the fiscal year ending March 31, 2018 when Fasford Technology Co., Ltd., started to be included as a subsidiary of the company.

Net income per shares for the current period and dividend per share



	12.4-13.3	13.4-14.3	14.4-15.3	15.4-16.3	16.4-17.3	17.4-18.3	18.4-19.3F
Payout Ratio	49.8%	60.3% (45.2%)	31.7% (27.2%)	37.8%	39.4%	20.5%	28.9% (23.1%)

() Payout ratio for regular dividend

Note: On January 1, 2013 a stock split of 2 for 1 ordinary shares was executed.
Calculated supposing this stock split was performed at the beginning of the FY ending 2013 March.

Reference information

Robotic Solutions Division Strategies

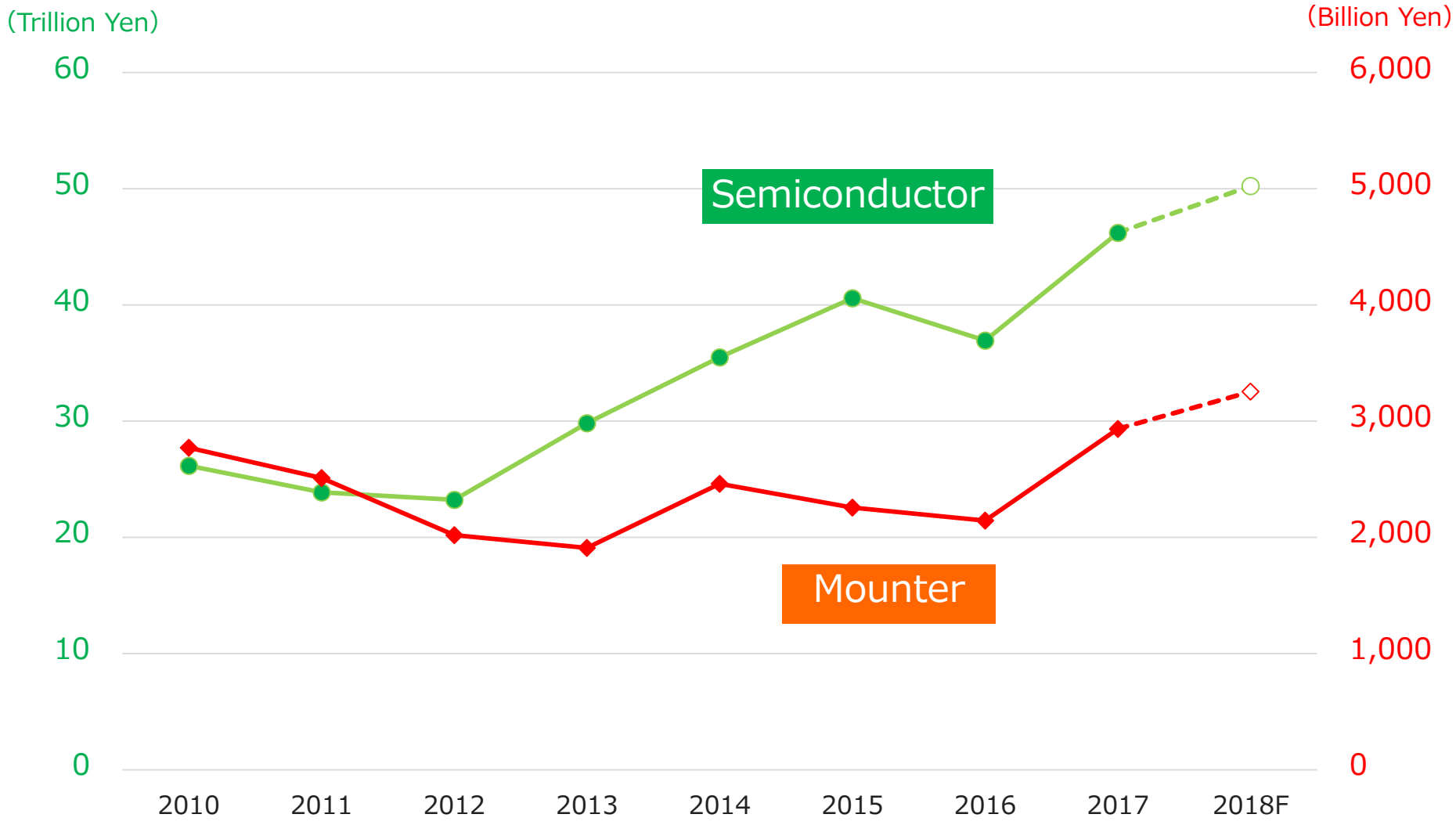
Slogan: FUJI Brand 30

Business vision: Maintain a 30% share in the mounter market

Division strategies:

- Establish the FUJI brand
- Enhance FUJI brand products
  -Develop new products and Smart Factory with high quality products-
- Improve customer satisfaction
- Next generation manufacturing innovation

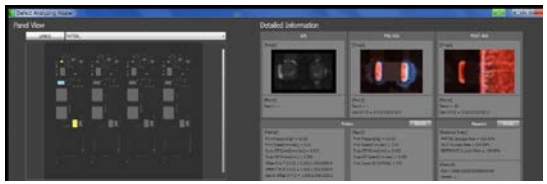
Comparison of demand for mounter and semiconductor



Semiconductor : WSTS　Mounter : Created by FUJI based on various data

Smart factory concept

Entire line progress, operation, quality monitoring, and analysis



Parts Storage

Nexim

Printer feedback control

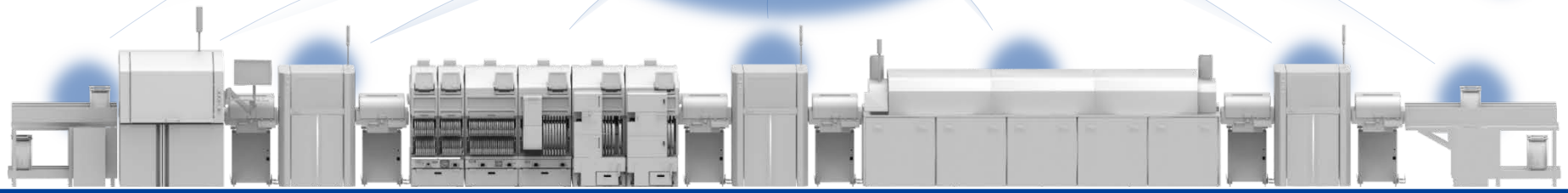
Mounter feedback control

Automatic changeover for entire lines

Expanding FUJI SMT network

FSF
FUJI Smart Factory
members

saki
TAMURA
CKD
VisiConsult
X-ray Systems & Solutions
YS CO.,LTD.
TRI innovation
Tower Factory
HELLER INDUSTRIES
VITrox
ITW EAE
mek marantz electronics,ltd
Nexim
KOH YOUNG TECHNOLOGY
INTELLIGENT INSPECTION
OMRON
ASYS GROUP
VISCOM vision technology
nagaoka
MIRTEC
PEMTRON
Nagoya
NAGOYA ELECTRIC WORKS CO., LTD.
PARMI



Link with machines from different companies,
improve quality and productivity even more

Synergy with Fasford Technology Co., Ltd.

By linking the technology cultivated from FUJI's own technology with semi-conductor technology, we will create new products with a high value in both markets and establish new field of businesses.

Industrial robot manufacturer

FUJI innovative spirit

Integrated production system

Nexim

Printer

Electronic component mounting robots

Semiconductor mounting robots

Develop next generation technology for semiconductor and surface mount fields

Further improve quality for products from both companies

Semiconductor manufacturing machine manufacturer

FASFORD TECHNOLOGY

For memory

For memory, logic controllers

Flip chip support

Machine Tools Division Strategies

Slogan: Obtain complete profitability

Create a structure that is consistently profitable

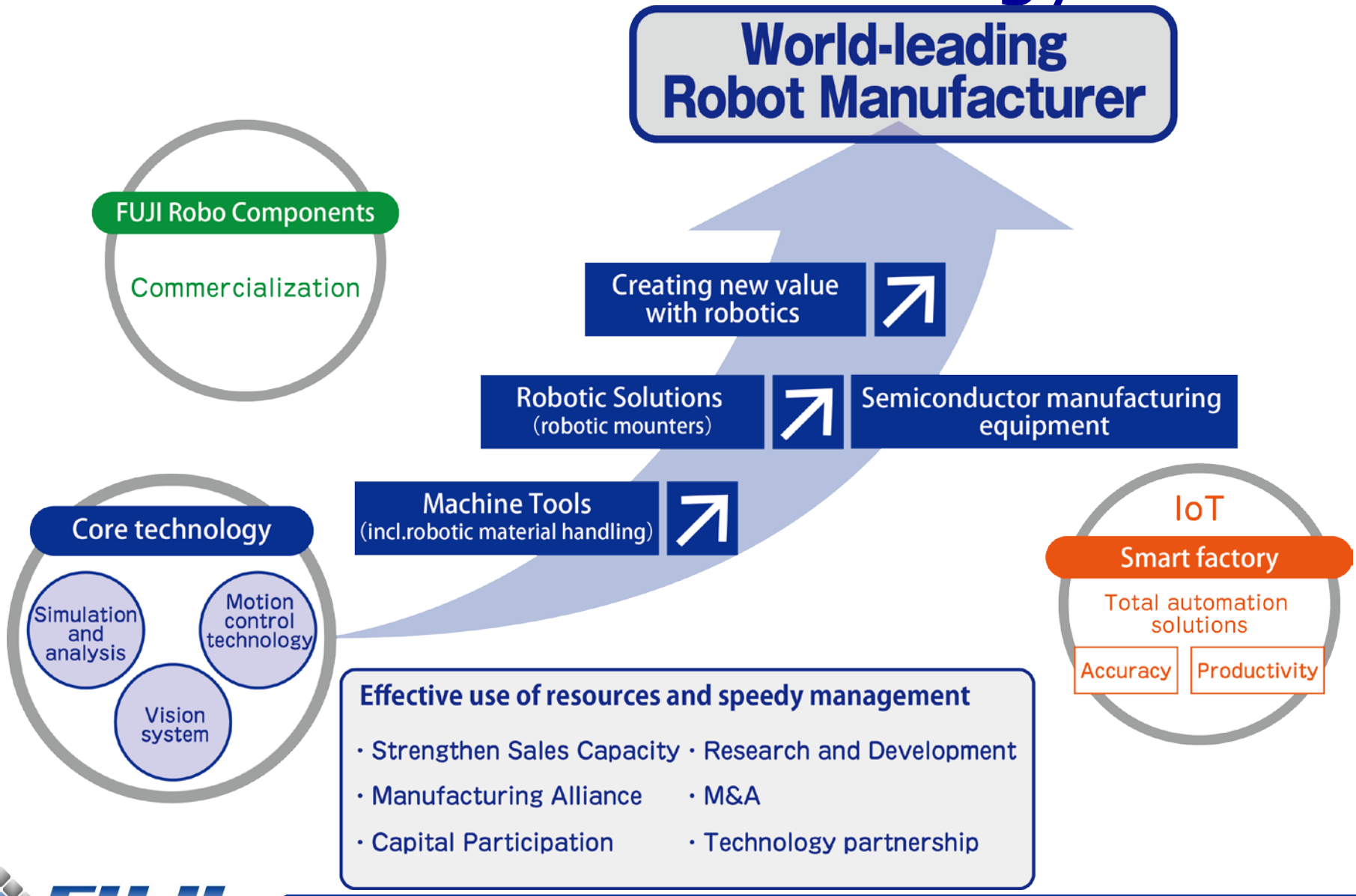
Business vision: Develop an ecosystem using the three-by-three concept.

Effective use the mutual resources of three locations (Toyota factory, Kunshan Fuji, Fuji Machine America) and their three functions (sales, engineering, production) to make a system that improves business value.

Division strategies:

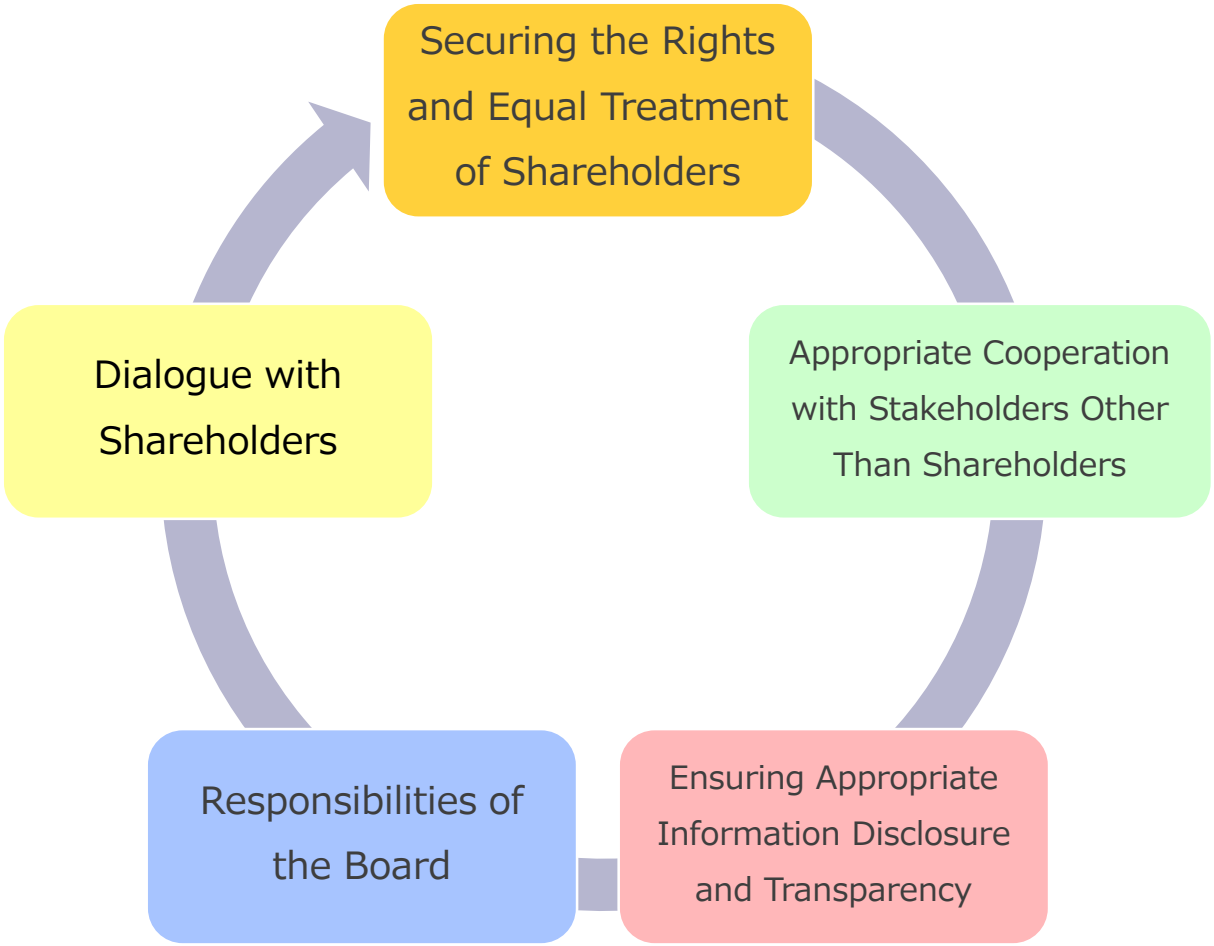
- Expand sales and improve sales area ratios
- Develop products linked to a sales strategy
- Improve productivity by standardizing and using IoT
- Number one user quality assurance system

The Growth Strategy



Corporate Governance Code

FUJI is improving corporate value based on Corporate Governance Code.



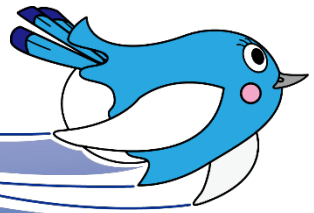
1. Securing the rights and equal treatment of shareholders
   - Information disclosed in English
   - Electric disclosure of notice calling a general shareholders meeting beforehand

2. Appropriate cooperation with stakeholders other than shareholders
   - Ensure diversity including empowering female employees
   - Establish bonds with suppliers and local communities
   - Ensure a lively working environment

3. Ensuring appropriate information disclosure and transparency
   - Disclose information by corporate governance reports
   - Disclose information on website in an appropriate and timely manner

4. Responsibilities of the board
   - Timely decision making by the board and quick management and clear responsibilities by executive officers
   - Independent outside directors play active roles

5. Dialogue with shareholders
   - Regular IR/SR meetings



FUJI robots lead the way

Important note about this document

When we were preparing this material, we were careful to ensure accuracy, but we do not guarantee completeness. We accept no liability whatsoever for problems or damages that may arise as a result of the information in this document.
Performance forecasts and future predictions in this document are the results of estimates based on the information available at the time of the preparation of this document, and therefore include an element of risk and uncertainty. As a result, due to various factors such as changes in the business environment, actual results may differ significantly from the forecasts, outlook, and forward-looking statements mentioned or described.

FUJI CORPORATION