

# Second Quarter for Fiscal Year Ending March 2020 Financial Result Briefing

## FUJI CORPORATION



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- Company Overview
- Financial Summary
- Financial Forecast for FY2020
- Strategy, Other

# Company Overview

# About FUJI (March 2019)

Established: April 7, 1959

Capital: 5.878 billion yen

Employees: 2,449

Sales: 129 billion yen

Operating profit: 23.1billion yen

Ordinary profit: 23.4billion yen

Main products: Electronic component mounter robots,  
machine tools

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

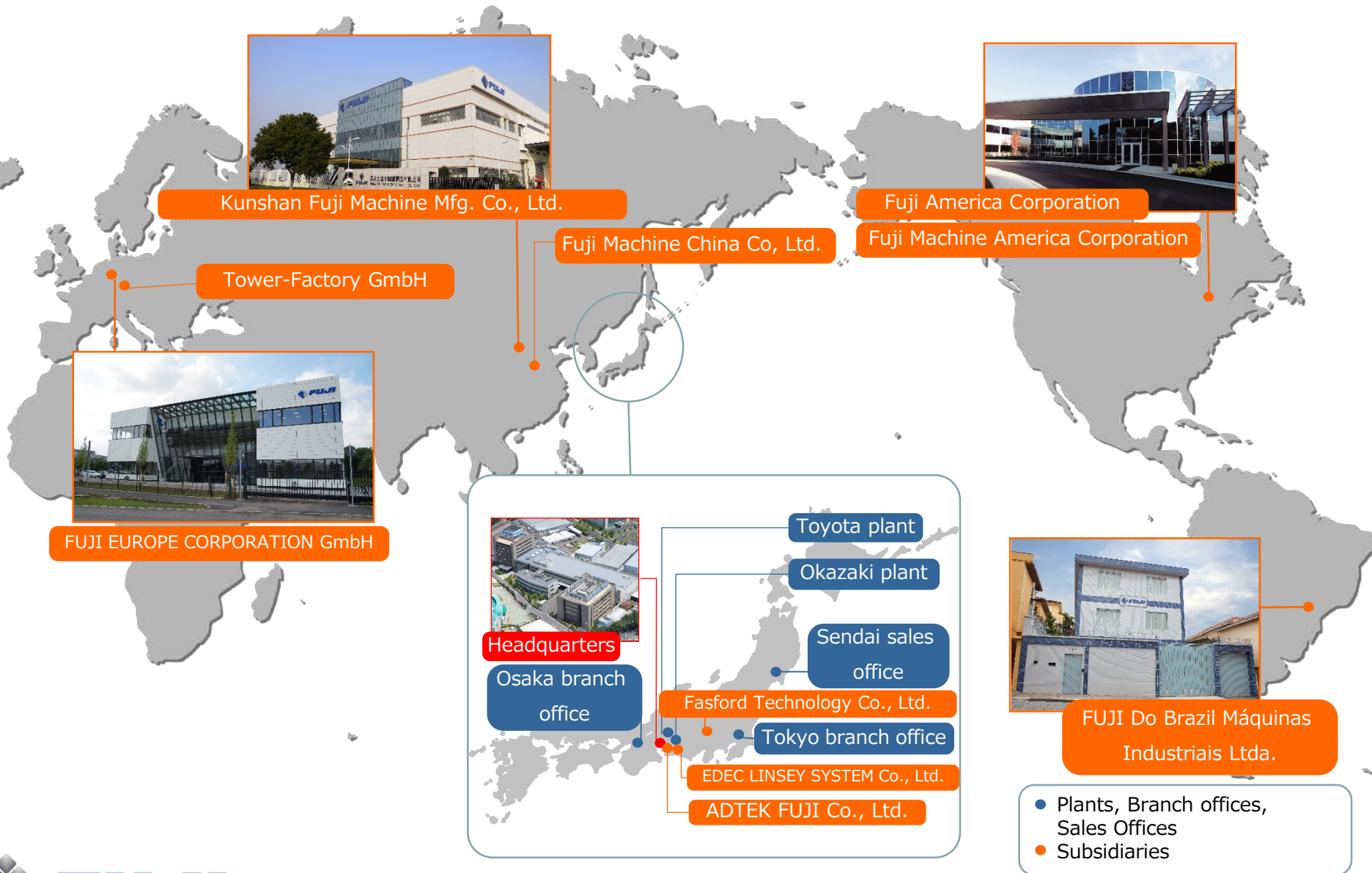


Headquarters (Chiryu city, Aichi prefecture)

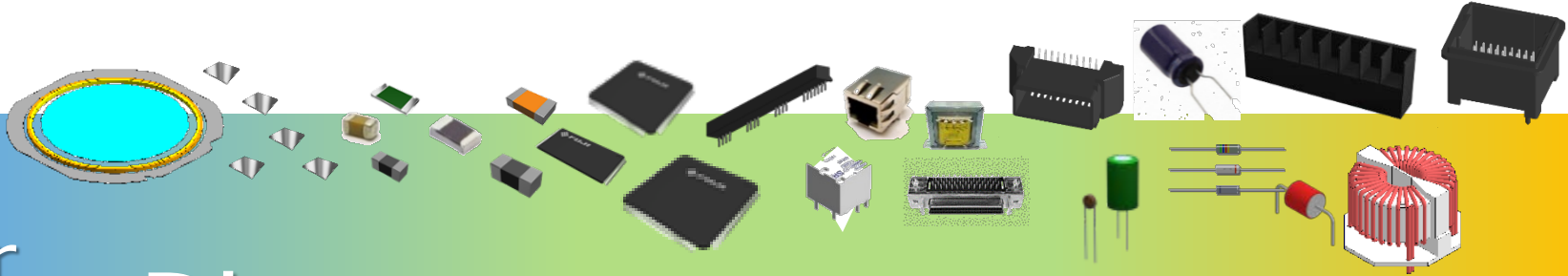
# History

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
2010	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
2017	Developed the Compact Multijoint Robot – SmartWing
2018	Changed the company name from Fuji Machine Manufacturing Co., Ltd. to FUJI CORPORATION
	Formalized Fasford Technology Co., Ltd. as a consolidated subsidiary

# Worldwide Operations



# Robotic Solutions Division



Solder printing

Die

SMD

Insertion parts



GPX-C

NXT-H

NXT III  
Fuji Scalable Placement Platform

AIMEX III  
AIMEX III C

sFAB-α

sFAB-D

Light work robot

Plasma processing equipment

Delivery locker system

Nursing care robots



Tough Plasma

Quist

Huq  
Mobility Support Robot

# Synergy with Fasford Technology Co., Ltd.

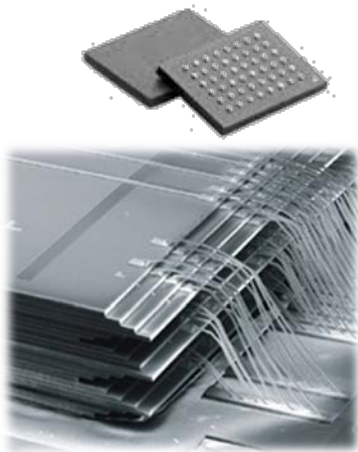
By bringing Fasford Technology (semi-conductor manufacturer, next stage processes) and Fuji (SMT stage) together, we will create new products with a high value in both markets and establish new fields of businesses.



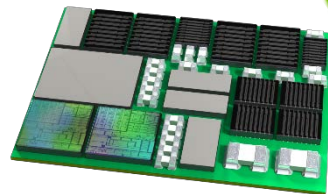
semi-conductor manufacturer,  
next stage processes  
(Assembly)

SMT stage

DRAM  
NAND

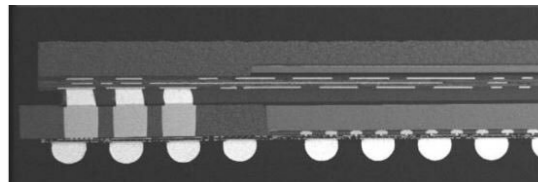


SiP,  
Module



WLP

FOWLP/PLP



Smartphones  
Automotive

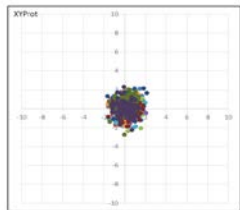
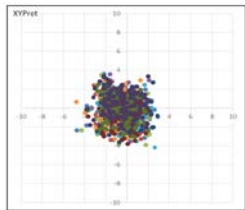




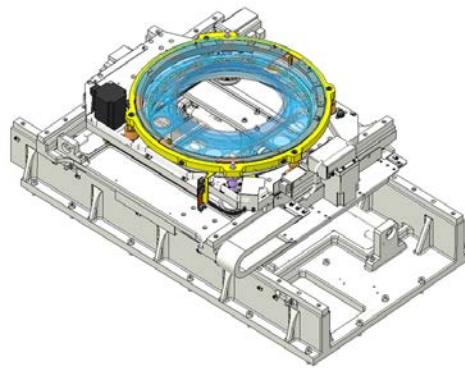
# Incorporating Fasford Technology into Fuji Machines



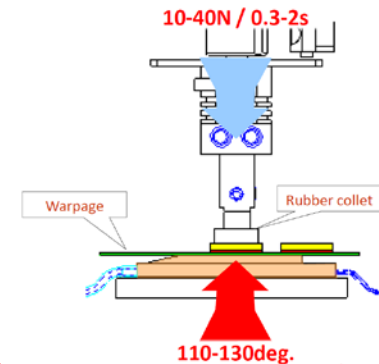
Accuracy compensation technology  
( $3 \sim 5 \mu m \ 3\sigma$ )



Wafer expanding technology



Heating and pressure technology for picking and placing thin parts



**By combining die bonder technology into Fuji mounters, product competitiveness is increased**

Ultra High Density  
Atmospheric Pressure  
Plasma Unit

# Tough Plasma FPF20-GM



◆ World-class surface modification



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

Certified overseas standards: CE marking  
(Europe)

UL certification (North America)

# 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.



# Mobility Support Robot **Huq**

Mobility Support Robot

Make caregiving easier by getting a robot to do the lifting work

- ① Small size and lightweight to match home environments
- ② Stably transfer individuals up to 100 kg with ease
- ③ Quick to prepare with no belts required. Easy to use remote control
- ◆ Contracts and wholesaling with major rental equipment providers
- ◆ Exhibited in International Home Care & Rehabilitation Exhibition 2020 held in Tokyo from September 23rd to 25th, 2019

For hospitals and care facilities



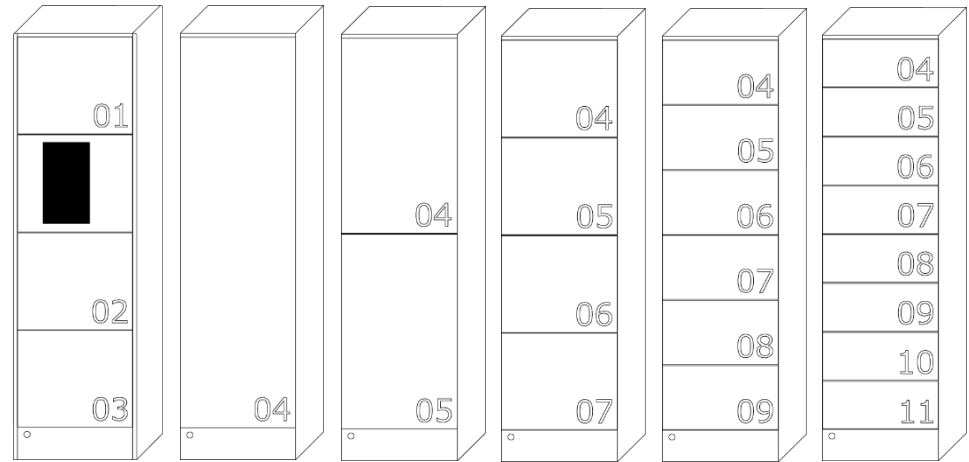
For home use



Mobility Support Robot

**Huq** T1-02

# Public Stocker System **Qui**st



- By expanding the lineup it is possible to have flexible unit configurations to meet various needs
- Industry top level dust and water protection (IP54)
- Can be linked to systems from two major logistic carriers
- Scheduled to exhibit at the workstyle reform expo in Nagoya, February 12 to 14, 2020.
- Scheduled to exhibit at the RETAILTECH JAPAN 2020 in Tokyo, March 3 to 6, 2020.

# Machine Tools Division

Front Facing Twin Spindle Lathe  
**CS SERIES**



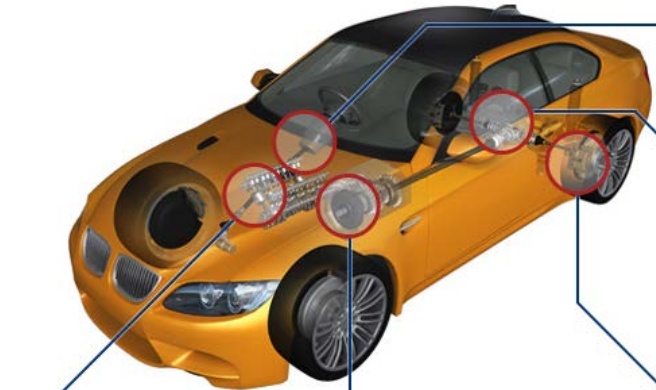
Steering  
- Pinion steering shaft

Power train  
- Pinion gears  
- Drive pinion  
- Differential case

Axle  
- Hubs  
- Brake disks

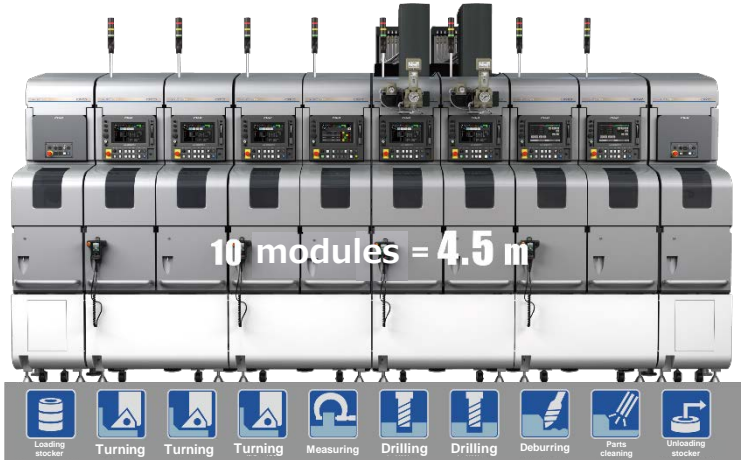
Transmission  
- Output shaft  
- Sheave (CVT)

Engine  
- Cam shafts  
- Bearing housings



Modular Production Equipment

**DLFN**



10 modules = 4.5 m

Horizontal CNC Lathe TN series

**TN SERIES**



# Financial Summary

# Financial Points

## ➤ Robotic Solutions Division

The demand for equipment for smartphones and next generation wireless communication standard; 5G remains steady, and while the Chinese market that is mainly showing growth in sales, it appears that the markets in Japan and North America are taking a prudent stance on capital investment due to uncertainties about the future of the global economy.

## ➤ Machine Tools Division

Sales in Japan have shown growth, but capital investment in the North American market has fallen, leading to a decrease in comparison to the previous period.

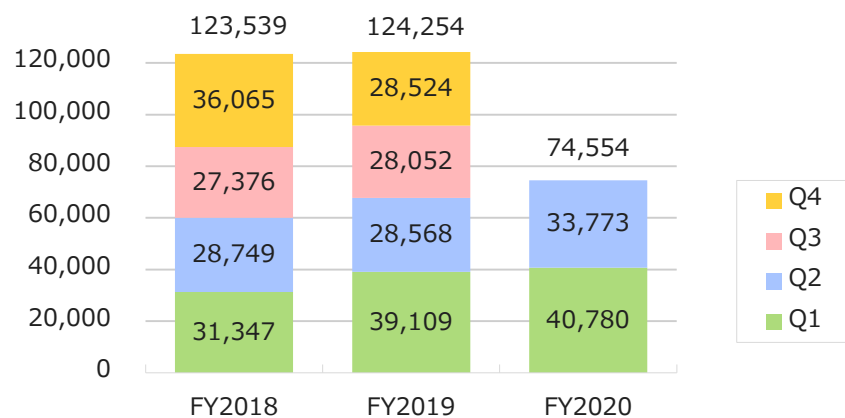


# Results for the Second Quarter Compared to 2019

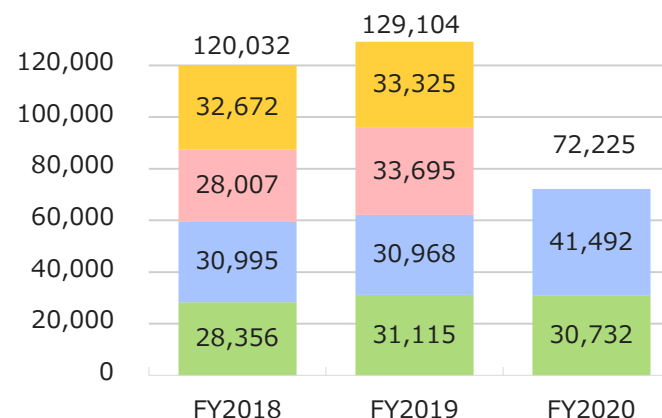
(Million yen)

	First half of FY2019 results	First half of FY2020 results	Compared to the same period last year	
			Amount	Ratio
Orders	67,677	74,554	+6,876	+10.2%
Sales	62,083	72,225	+10,141	+16.3%
Operating profit	11,535	11,230	▲304	▲2.6%
Ordinary profit	11,982	11,351	▲630	▲5.3%
Net profit for the period	8,670	8,685	+15	+0.2%

Orders

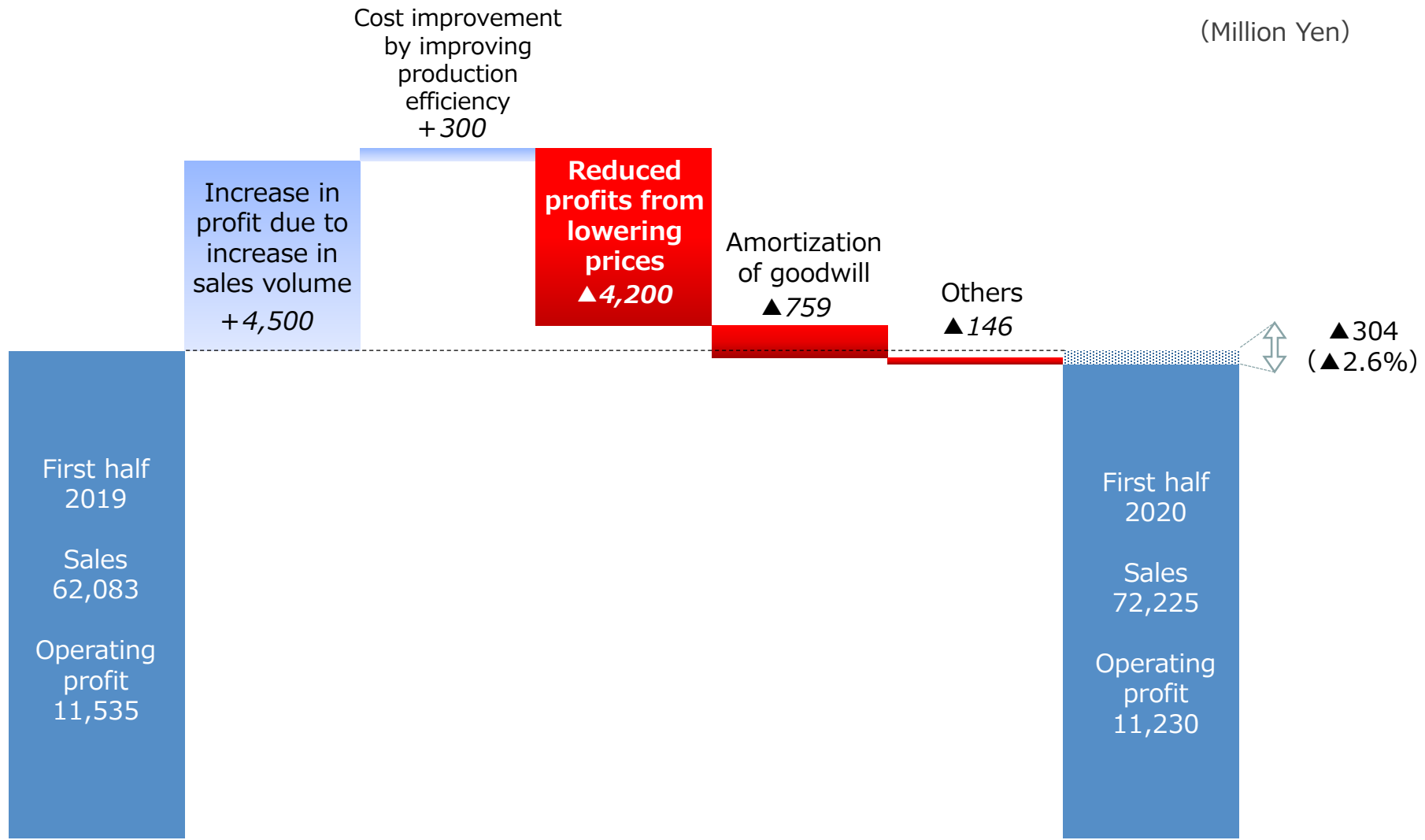


Sales



# 営業利益増減分析

(Million Yen)

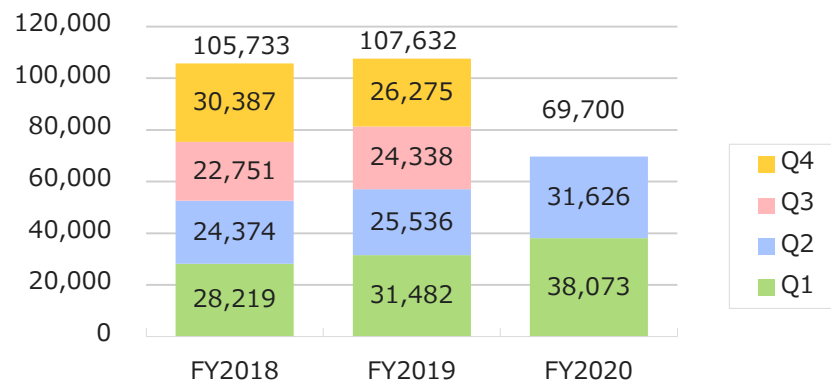


# Robotic Solutions Division Results

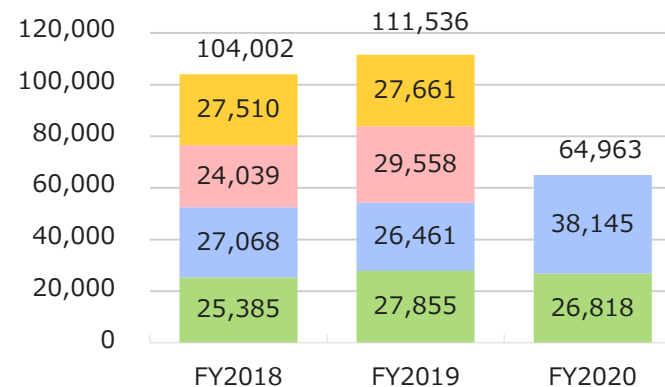
(Million yen)

	First half of FY2019 results	First half of FY2020 results	Compared to the same period last year	
			Amount	Ratio
Orders	57,018	69,700	+12,682	+22.2%
Sales	54,317	64,963	+10,646	+19.6%
Operating profit	13,103	12,594	▲509	▲3.9%
Order backlog	27,320	22,419	▲4,901	▲17.9%

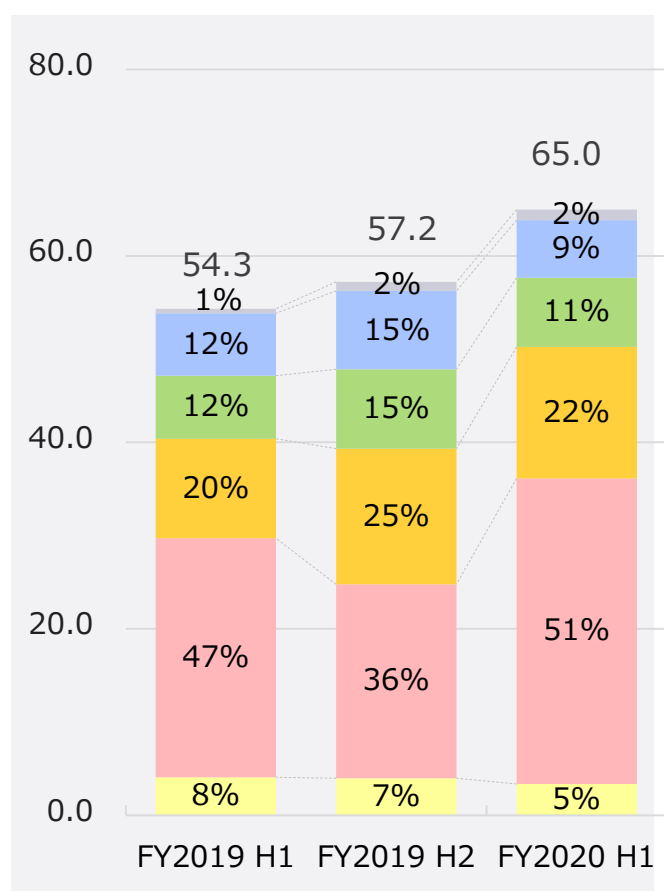
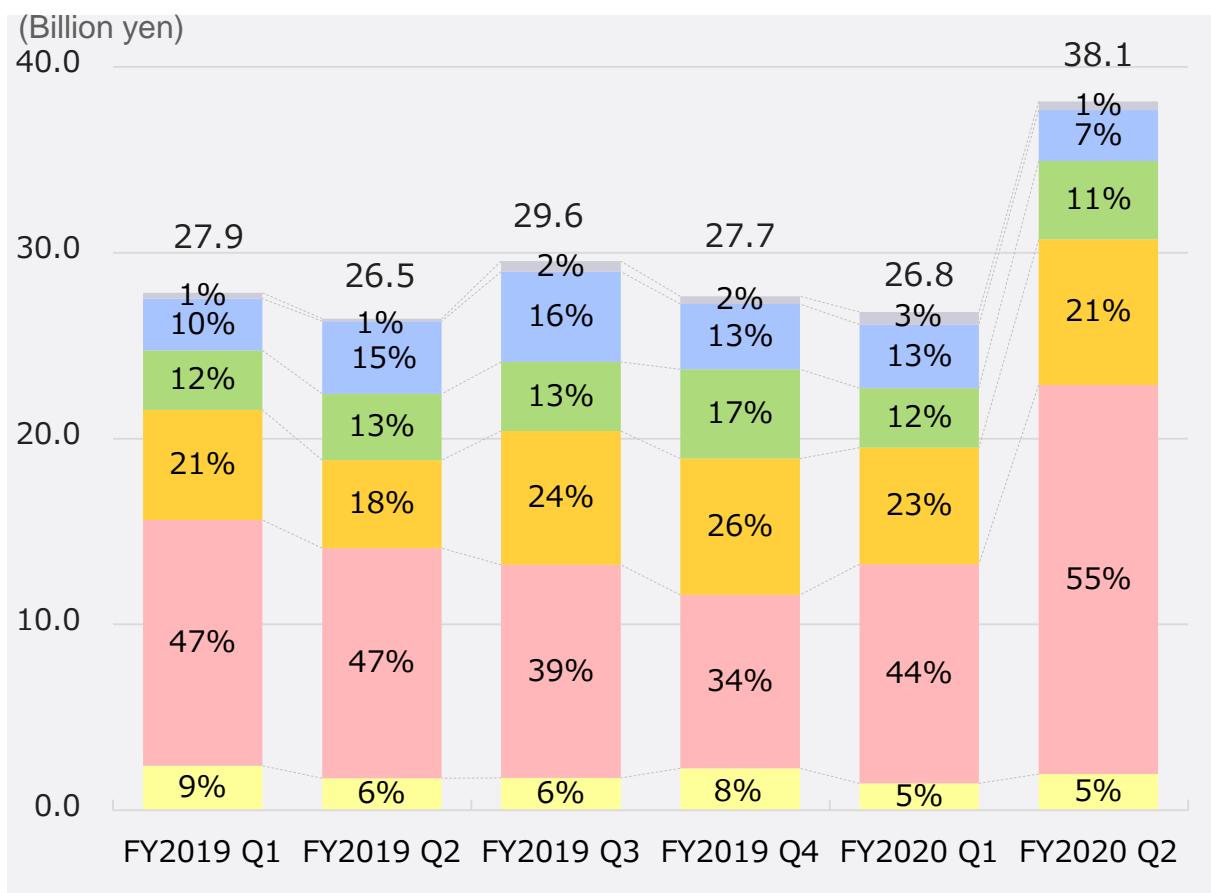
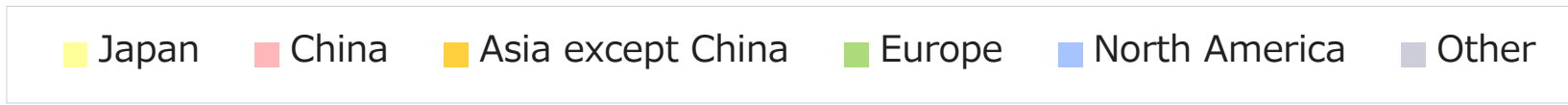
Orders



Sales

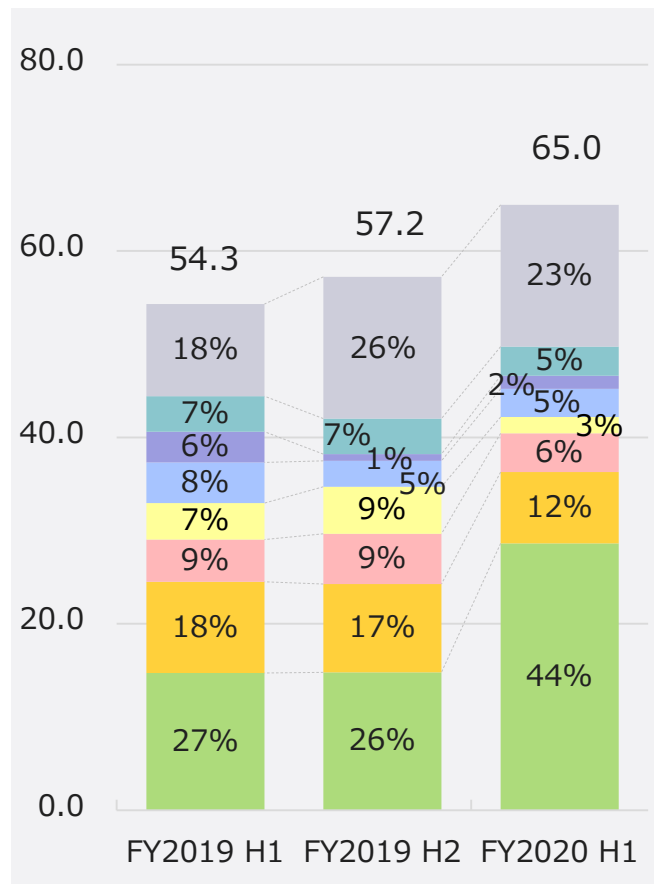
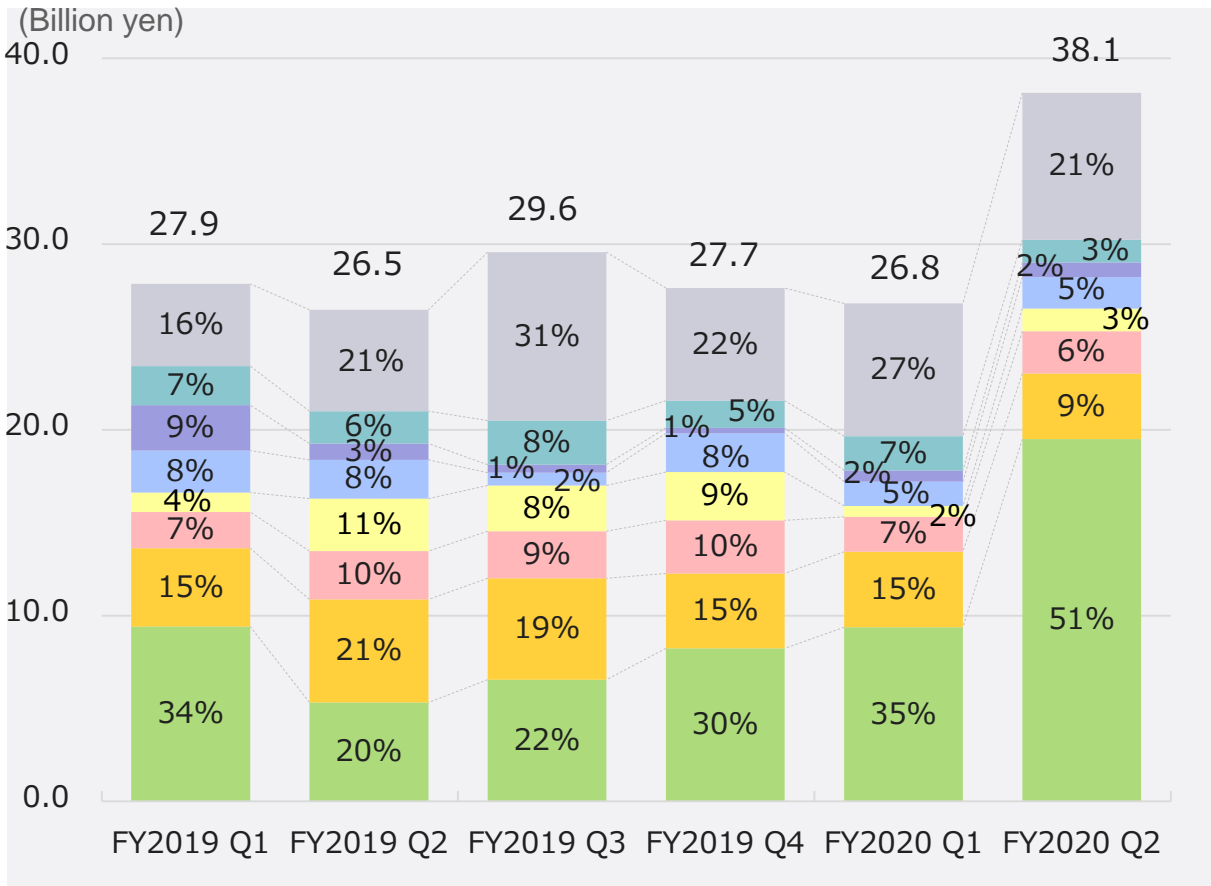


# Robotic Solutions Division Sales Trends by Region

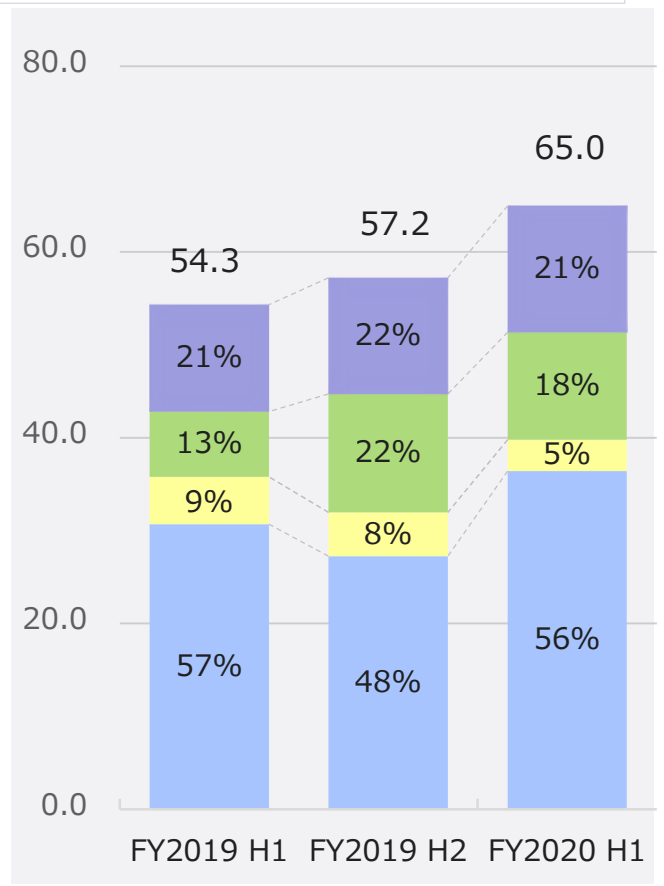
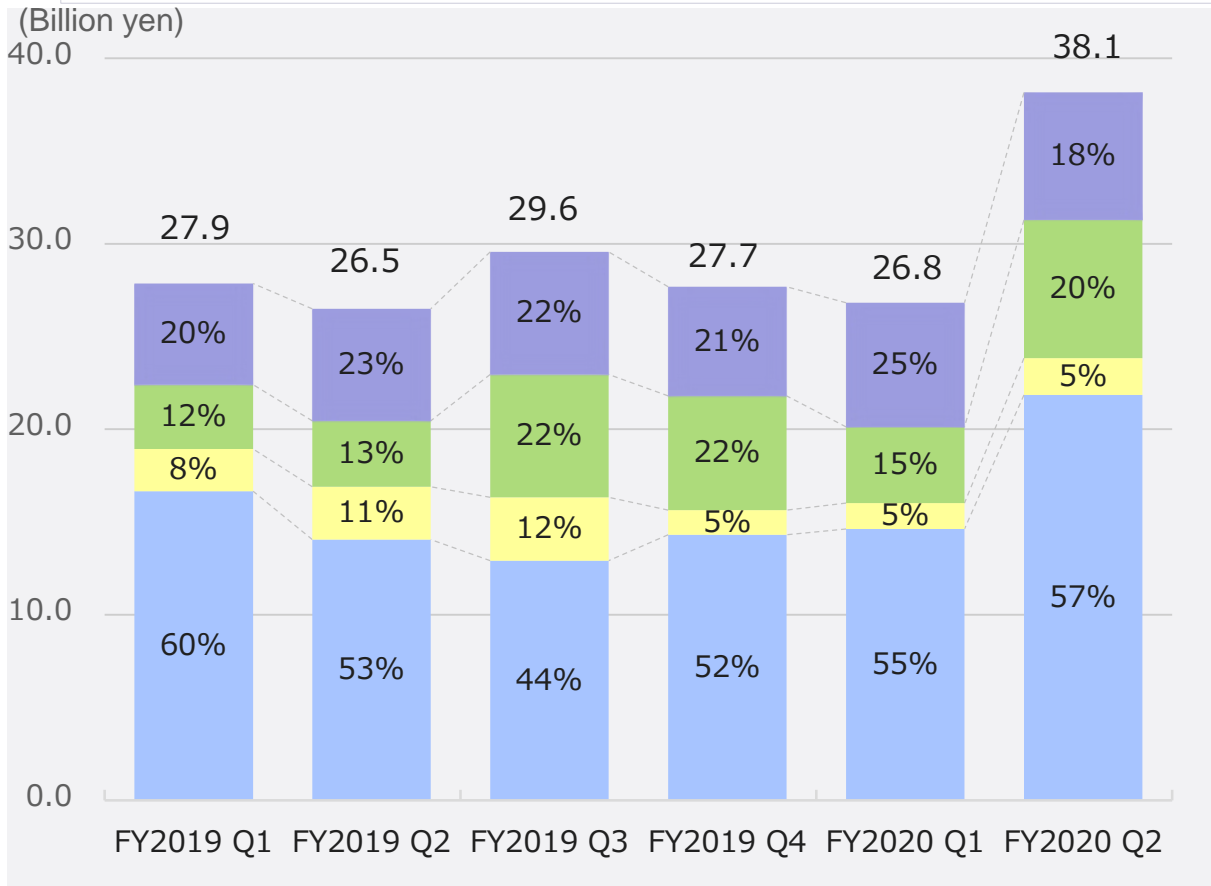
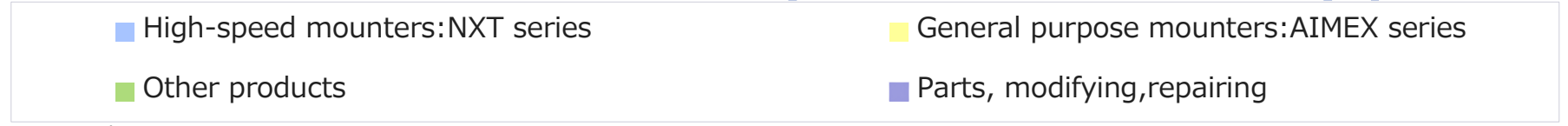


# Robotic Solutions Division Sales by Sector

- Communication
- Automotive
- Computer
- Server
- Consumer electronics
- Module parts
- Industrial machines
- Other



# Robotic Solutions Division Sales Trends by Machine Type

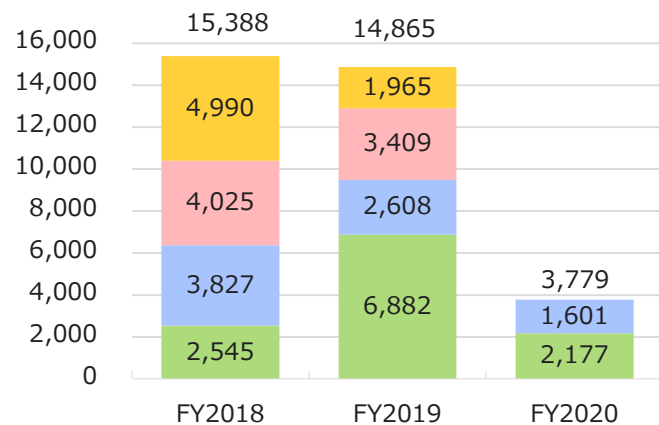


# Machine Tools Division Results

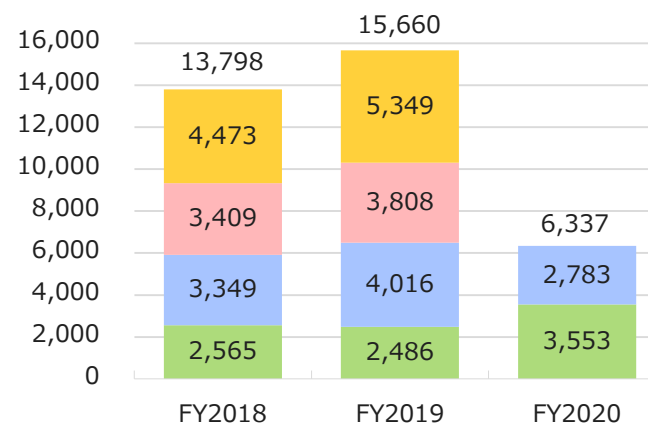
(Million yen)

	First half of FY2019 results	First half of FY2020 results	Compared to the same period last year	
			Amount	Ratio
Orders	9,490	3,779	▲5,711	▲60.2%
Sales	6,502	6,337	▲164	▲2.5%
Operating profit	388	133	▲255	▲65.7%
Order backlog	12,232	5,891	▲6,341	▲51.8%

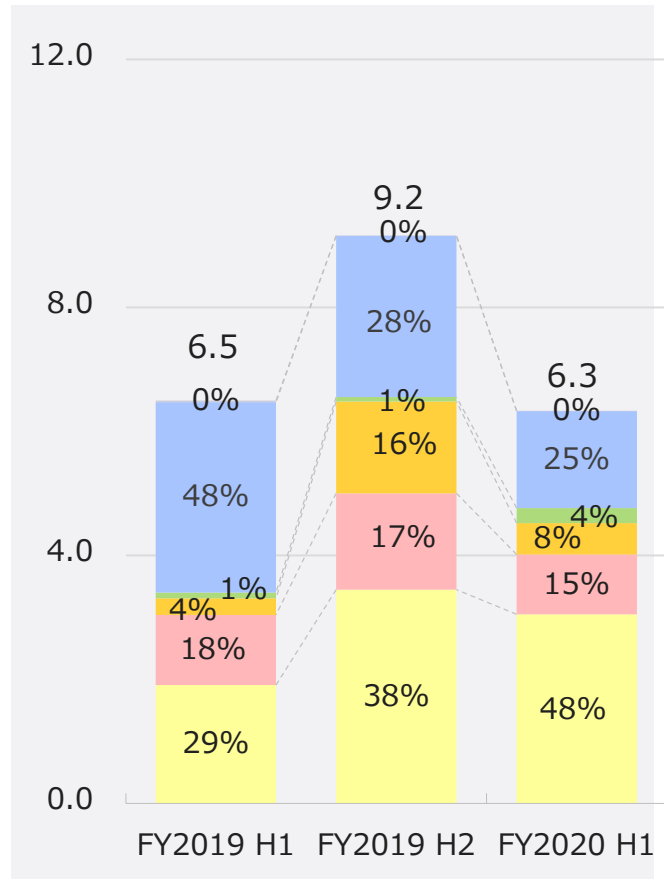
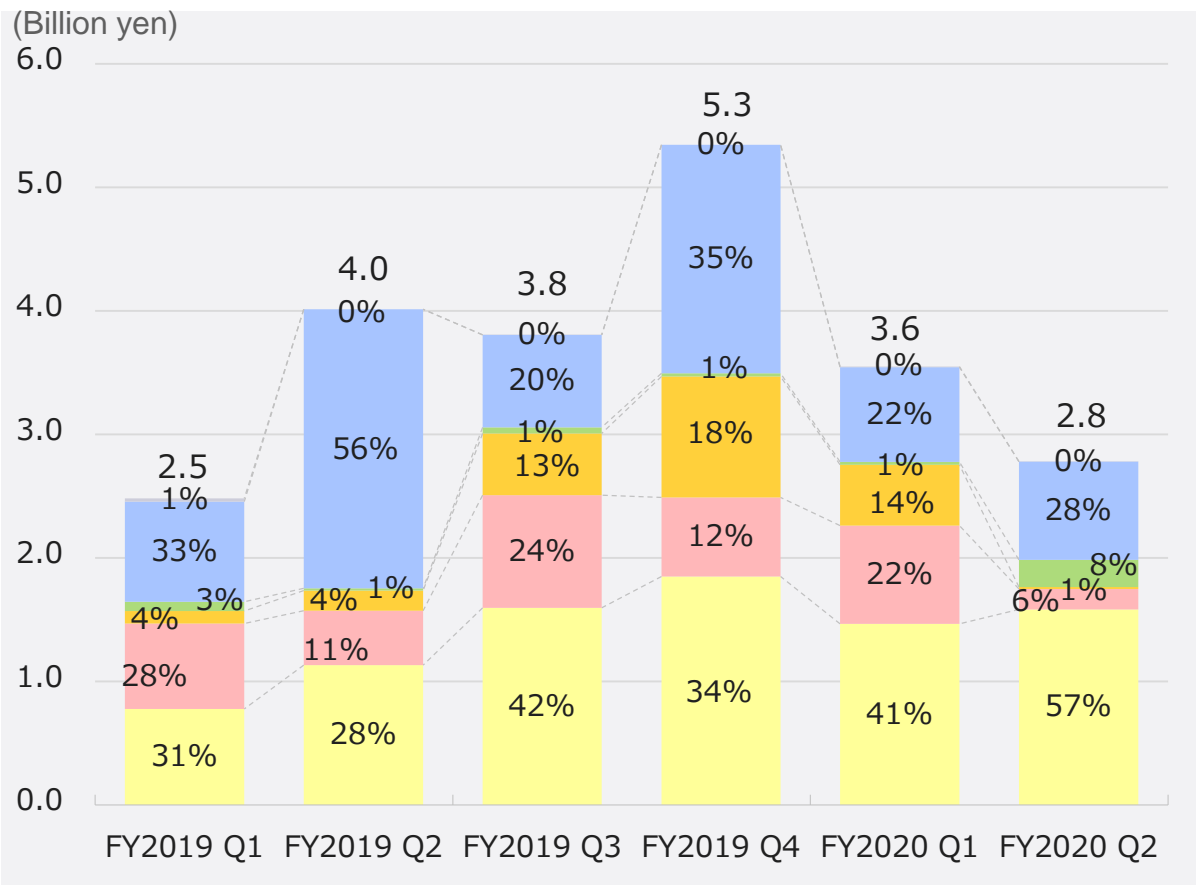
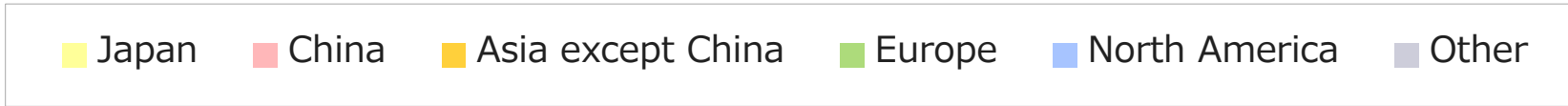
Orders



Sales

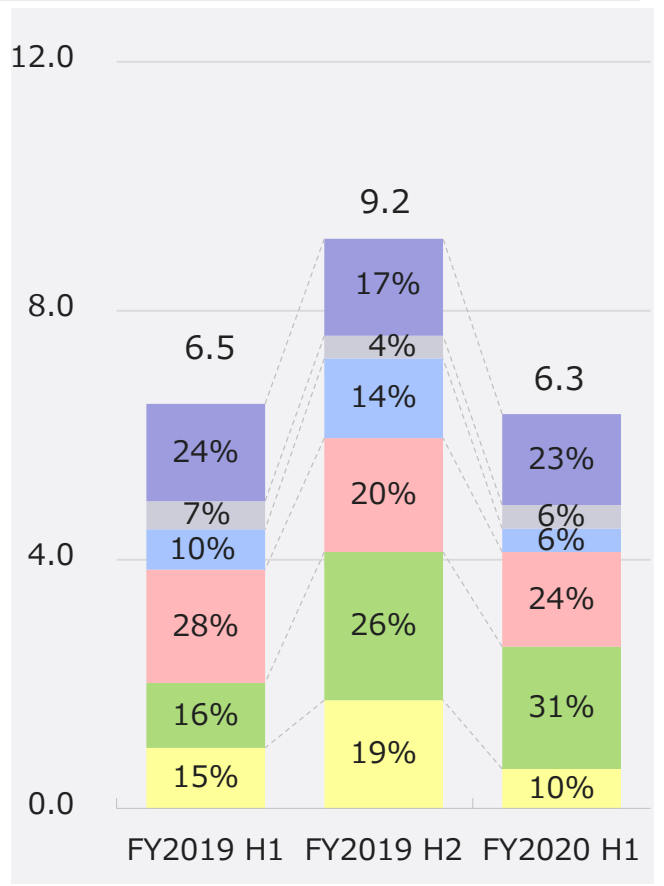
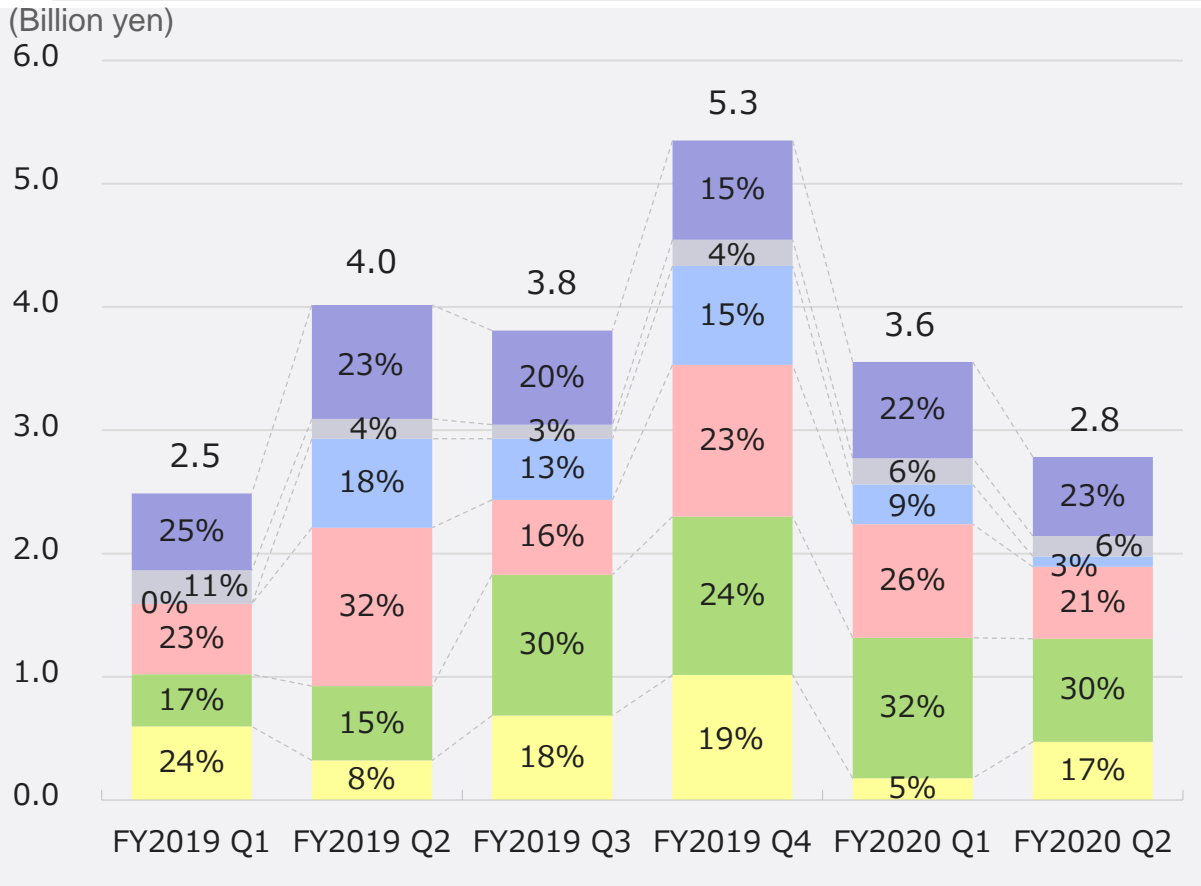


# Machine Tools Division Sales Trends by Region





# Machine Tools Division Sales Trends by Machine Type



# Financial Forecast for FY2020

# Consolidated Results Forecasts

- Changes from forecast released August 8, 2019 (Million yen)

	FY2019 results	Forecast for FY2020				
		Forecast released August 8, 2019	Current forecast	Compared to the same period last year		Compared to previously released forecast
				Amount	Ratio	Amount
Orders	124,254	129,000	132,000	+7,745	+6.2%	+3,000
Sales	129,104	129,000	132,000	+2,895	+2.2%	+3,000
Operating profit	23,106	14,600	16,400	▲6,706	▲29.0%	+1,800
Operating profit margin	17.9%	11.3%	12.4%	-	-	-
Ordinary profit	23,454	15,200	17,000	▲6,454	▲27.5%	+1,800
Net profit for the period	16,855	11,200	12,700	▲4,155	▲24.7%	+1,500

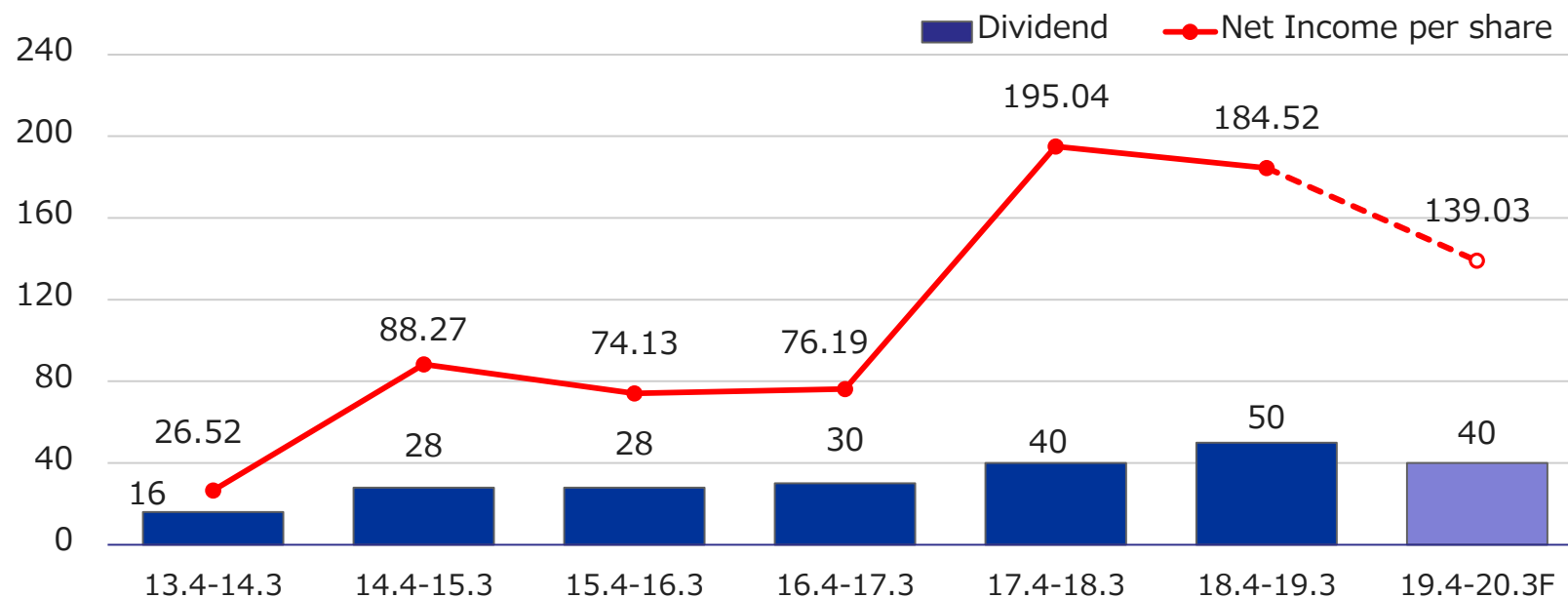
# Forecast of Orders and Sales for Segments

- Changes from forecast released August 8, 2019 (Million yen)

		FY2019 results	Forecast for FY2020				
			Forecast released August 8, 2019	Current forecast	Compared to the same period last year		Compared to previously released forecast
					Amount	Ratio	Amount
Robotic Solutions	Orders	107,632	114,500	121,500	+13,867	+12.9%	+7,000
	Sales	111,536	113,500	119,500	+7,963	+7.1%	+6,000
	Order backlog	17,682	18,682	19,682	+2,000	+11.3%	+1,000
Machine Tools	Orders	14,865	12,000	8,000	▲6,865	▲46.2%	▲4,000
	Sales	15,660	13,000	10,500	▲5,160	▲33.0%	▲2,500
	Order backlog	8,449	7,449	5,949	▲2,500	▲29.6%	▲1,500
Others	Orders	1,756	2,500	2,500	+743	+42.4%	±0
	Sales	1,907	2,500	2,000	+92	+4.8%	▲500
	Order backlog	170	170	670	+500	+292.4%	+500

# Net Income Per Shares for the Current Period and Dividend Per Share

(Yen)



Regular Dividend 12.00  
Commemorative Dividend 4.00

Regular Dividend 24.00  
Commemorative Dividend 4.00

Regular Dividend 40.00  
Commemorative Dividend 10.00

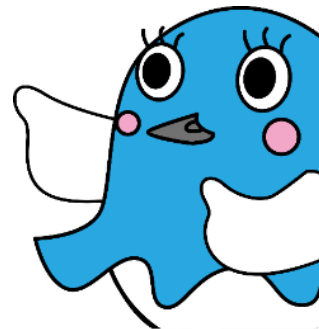
	13.4-14.3	14.4-15.3	15.4-16.3	16.4-17.3	17.4-18.3	18.4-19.3	19.4-20.3F
<b>Payout Ratio</b>	60.3% (45.2%)	31.7% (27.2%)	37.8%	39.4%	20.5%	27.1% (21.7%)	28.8%

( ) Payout ratio for regular dividend

# Strategy, Other

# Corporate Vision

Our vision is to establish ourselves as the leading brand in each industry through innovations in production and sales and development of next generation type products while being at the forefront of the Digital Revolution.



# Robotic Solutions Division Strategies

Slogan: FUJI Brand 30

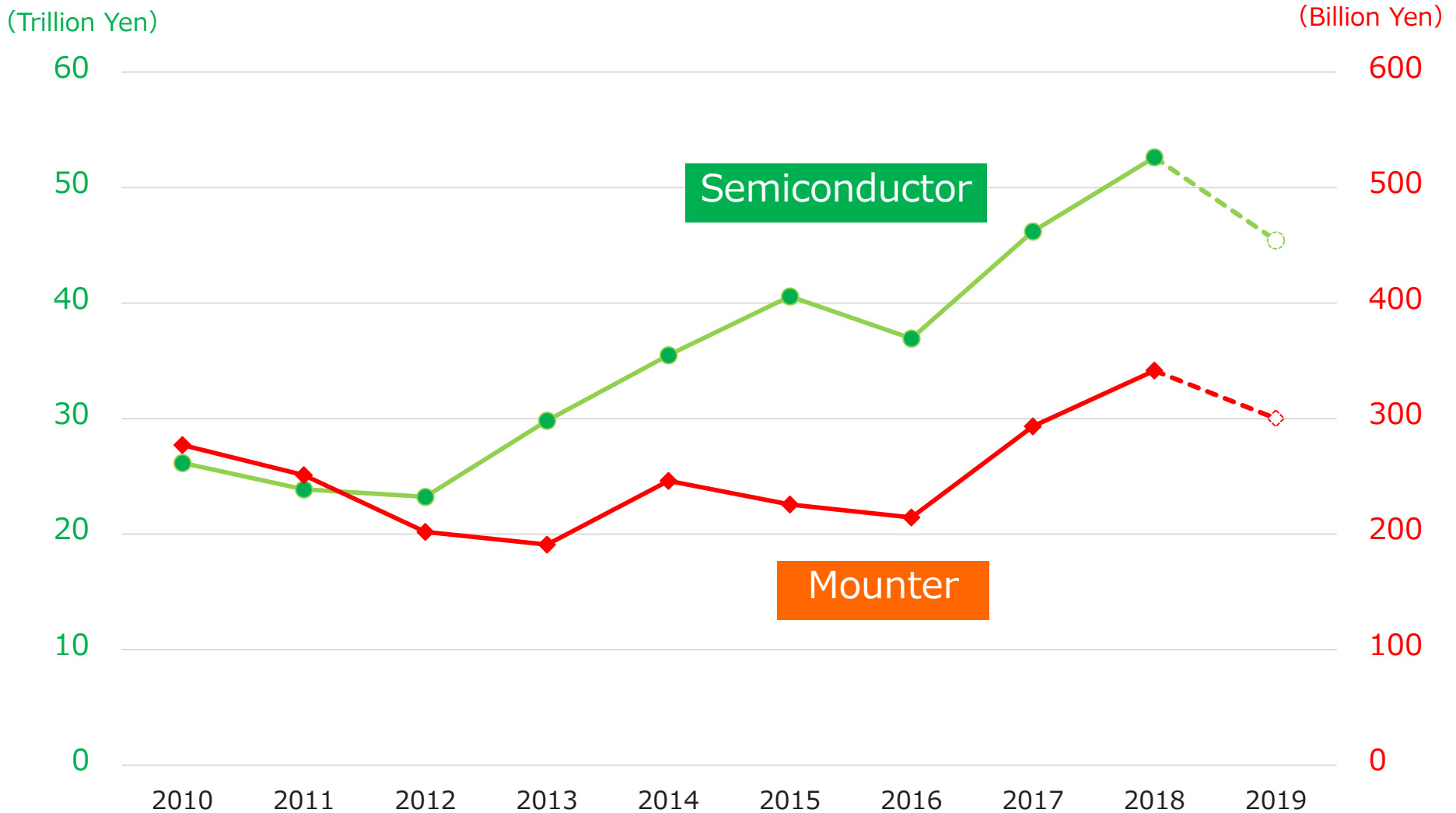
Business vision: Maintain a 30% share in the mounter market

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

# Machine Tools Division Strategies

Slogan: Obtain complete profitability

Create a structure that is consistently profitable

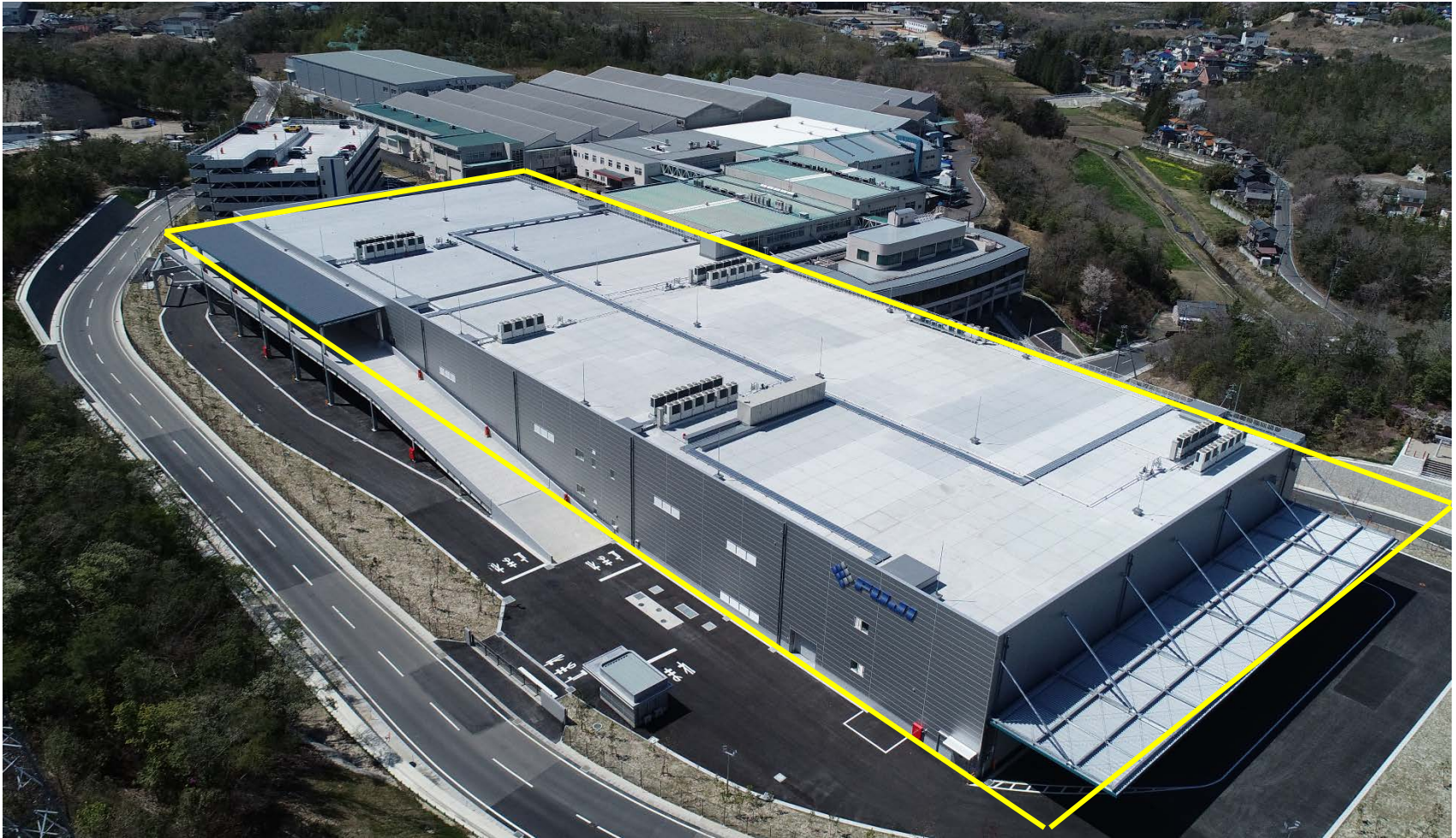
Business vision: Develop an ecosystem using the three-by-three concept.

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

Division strategies:

- Develop new markets and new customers
- Develop products linked to a sales strategy
- Improve productivity by standardizing and using IoT
- Number one user quality assurance system

# Completion of a New Building in Toyota Plant



Total floorspace: 20,000 m<sup>2</sup>

Manufacturing floors for two divisions:

Machine Tool Division on the 1st floor, Robotic Solutions Division on the 2nd floor

Constructed a new style of manufacturing.

# Achieving Sustainable Development Goals



Our company is contributing to the achievement of the United Nations Sustainable Development Goals through our business activities.

## ● Environmental activities

- Developing energy-efficient and space-saving products with the environment in mind
- Operating energy efficient factories that contribute to the reduction of CO<sub>2</sub> emissions



## ● For an equal society (gender and diversity)

- Gender and nationality do not factor into employment selection
- Acquired certification as an "Aichi Company for the Promotion of Women"



## ● Governance

- Establishment of the group behavior charter and spreading of those principles to all staff within group companies
- Forming healthy partnerships with trade partners



- Work reform and health promotion for employees

- Establishment of the Fuji healthy business declaration
- Personnel system and training that allows employees to exhibit their abilities



- Contributing to social development through technological innovation

- Contributing to automation through the development of robotic electrical component mounters and machine tools
- Pioneering new business with products that utilize the strengths of Fuji's existing technology, such as mobility support robots, delivery locker systems, and atmospheric plasma devices



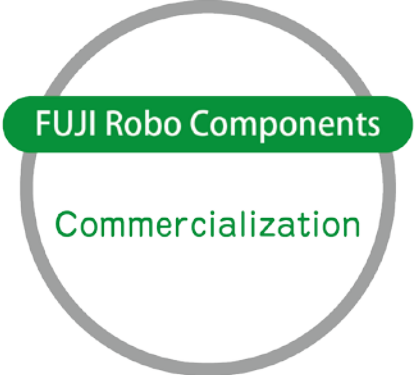
- Working with the community and education

- Running the after school English program, Teracoya THANK, where children learn science through English
- Actively participating in local public events



# The Growth Strategy

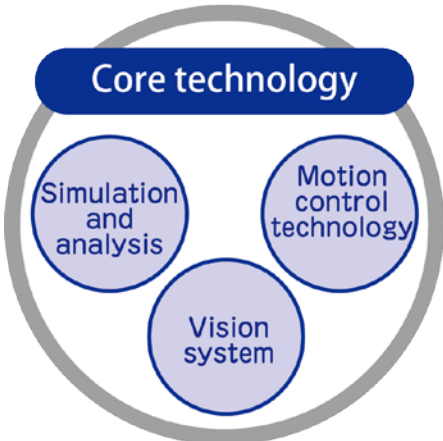
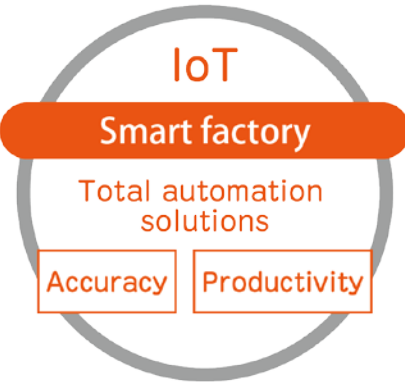
**World-leading Robot Manufacturer**



Creating new value with robotics ↗

Robotic Solutions (robotic mounters) ↗ Semiconductor manufacturing equipment

Machine Tools (incl. robotic material handling) ↗

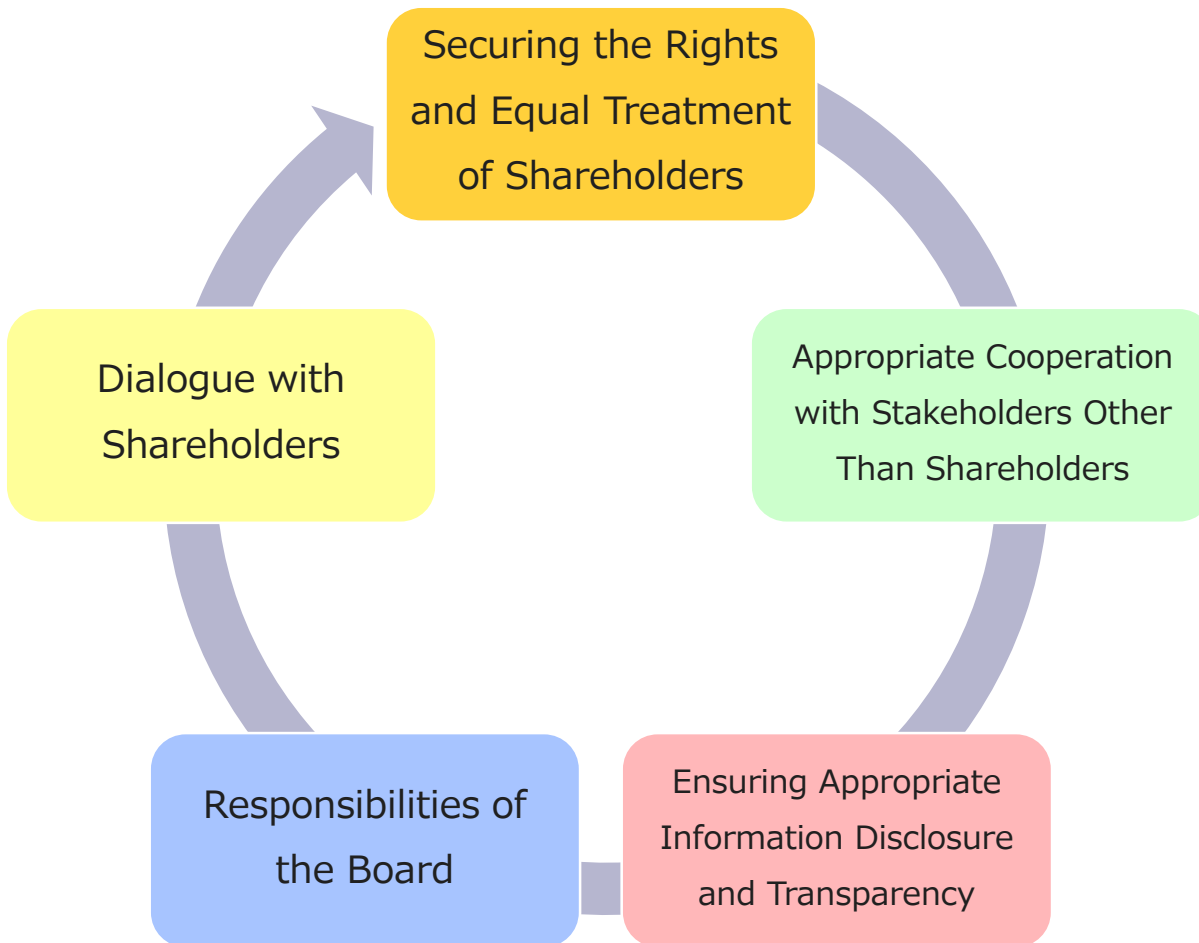


**Effective use of resources and speedy management**

- Strengthen Sales Capacity
- Research and Development
- Manufacturing Alliance
- M&A
- Capital Participation
- Technology partnership

# 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

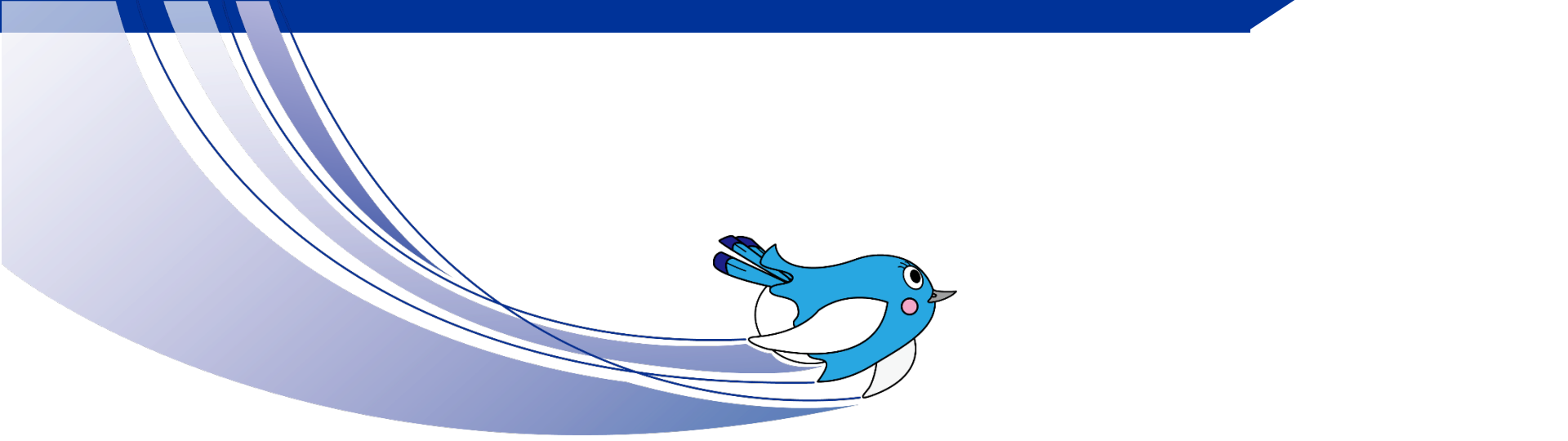
- Disclose information by corporate governance reports
- Disclose information on website in an appropriate and timely manner

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**