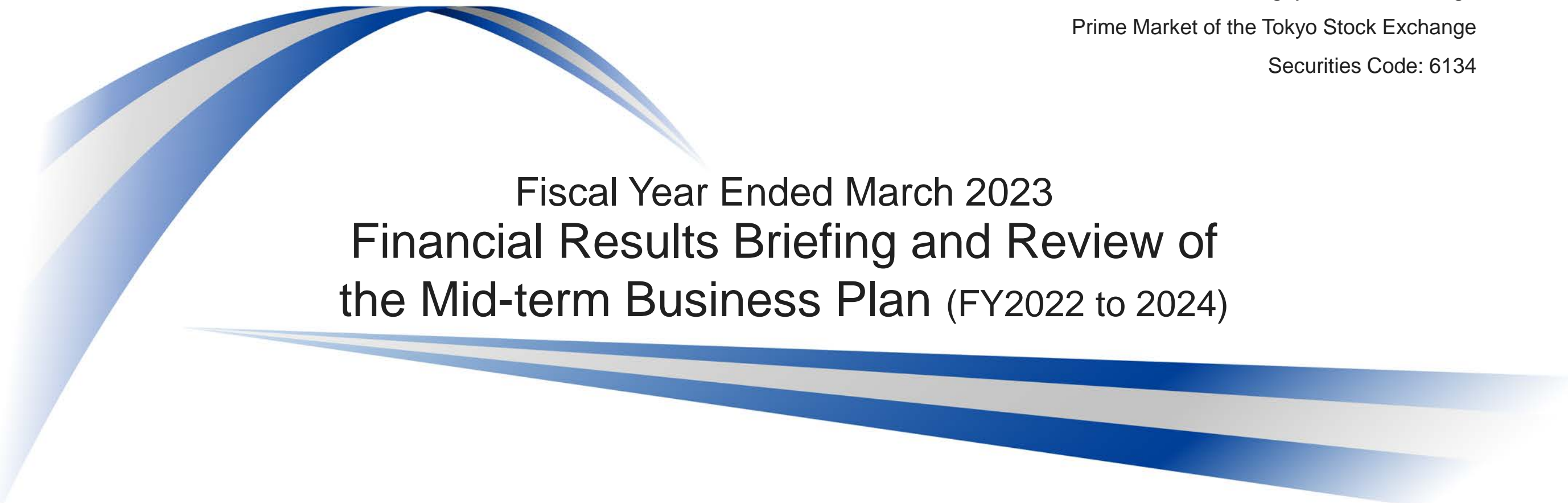


Premier Market of the Nagoya Stock Exchange

Prime Market of the Tokyo Stock Exchange

Securities Code: 6134



Fiscal Year Ended March 2023 Financial Results Briefing and Review of the Mid-term Business Plan (FY2022 to 2024)

May 2023





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1. Financial Results Briefing

1-1. FY2023 Financial Summary

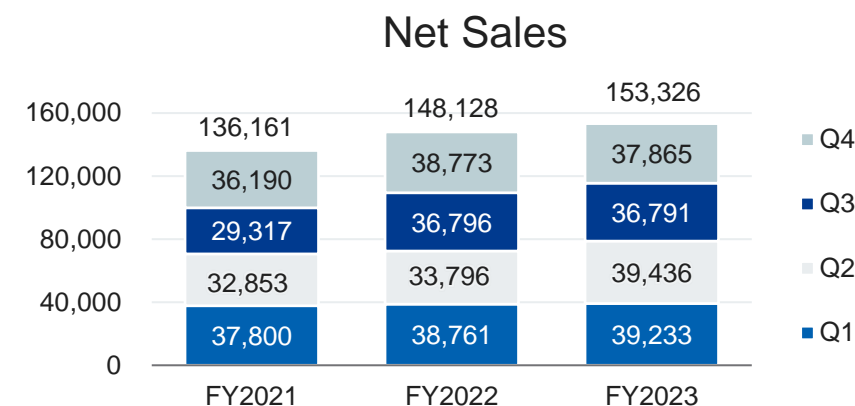
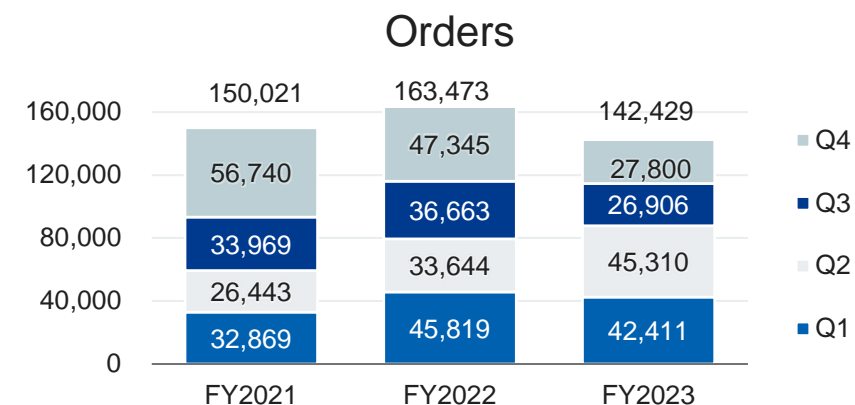


FY2023 Results

- Sales reached a record high due to demand in capital investment for industrial machines and automotive equipment for EVs, mainly in Europe and North America.
- Profits decreased due to the effects of soaring material costs and SG&A expenses.

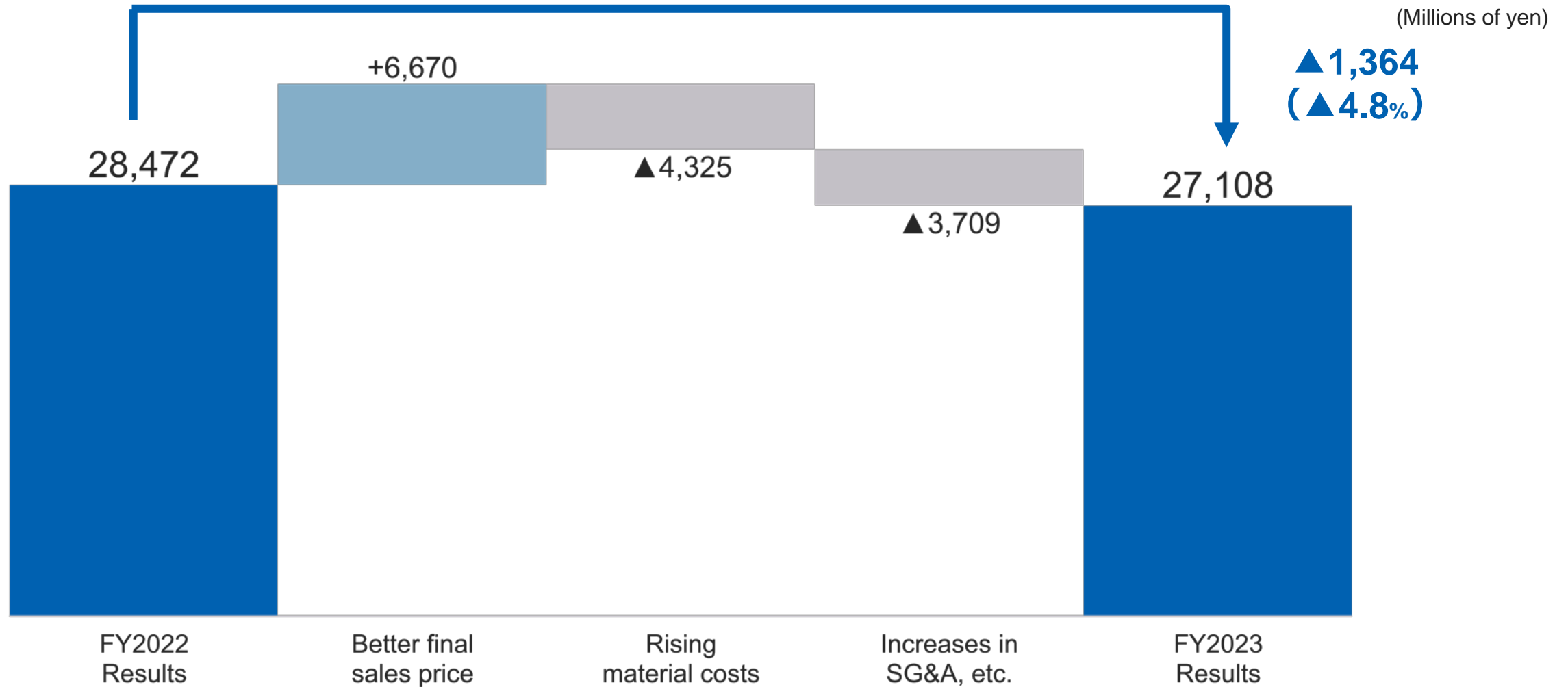
(Millions of yen)

	FY2022 results	FY2023 results	Compared to the same period last year	
			Amount	Ratio
Orders	163,473	142,429	▲21,044	▲12.9%
Net sales	148,128	153,326	+5,198	+3.5%
Operating profit	28,472	27,108	▲1,364	▲4.8%
Ordinary profit	29,943	29,016	▲927	▲3.1%
Profit attributable to owners of parent	21,188	20,454	▲733	▲3.5%



Operating Profit Increase/Decrease Analysis

- 1,364 million yen decrease in profit due to the significant impact of soaring material costs and increased SG&A expenses, despite improvements in selling prices resulting from favorable customer mix.

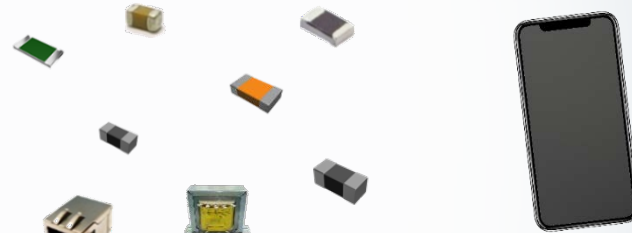
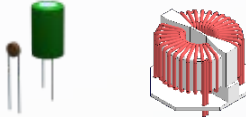
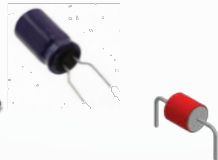
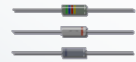
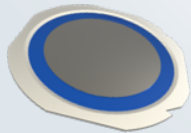


Robotic Solutions Division

Day-to-day electronic products including cars, home electronics, and communication devices. An essential part of manufacturing these items is SMT pick and place machines that place electronic components on printed circuit boards.



DB Series

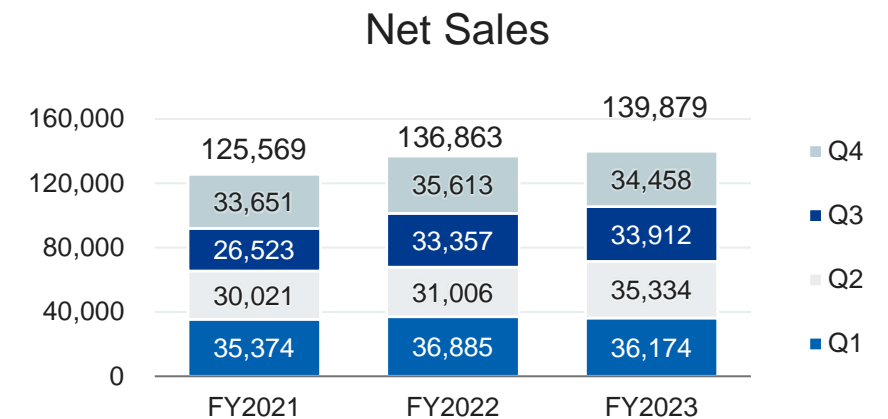
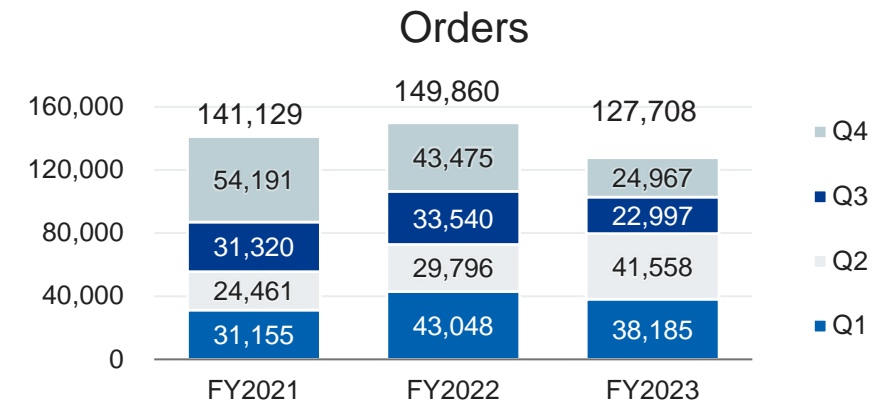


Robotic Solutions Division Results

- Continued demand, especially for automotive and industrial machinery markets, led to record-high sales
- Operating profit decreased due to higher material costs and SG&A expenses

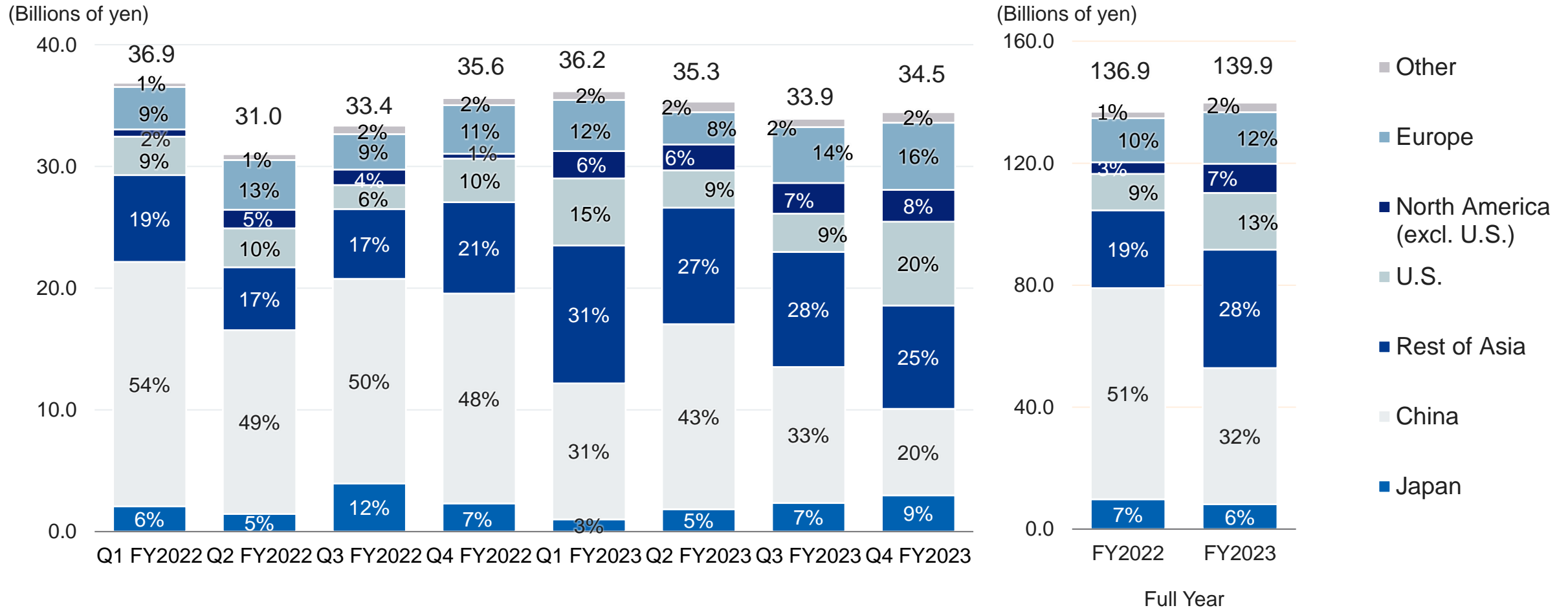
(Millions of yen)

	FY2022 results	FY2023 results	Compared to the same period last year	
			Amount	Ratio
Orders	149,860	127,708	▲22,152	▲14.8%
Net sales	136,863	139,879	+3,016	+2.2%
Operating profit	32,617	31,399	▲1,218	▲3.7%
Order backlogs	57,298	45,127	▲12,170	▲21.2%



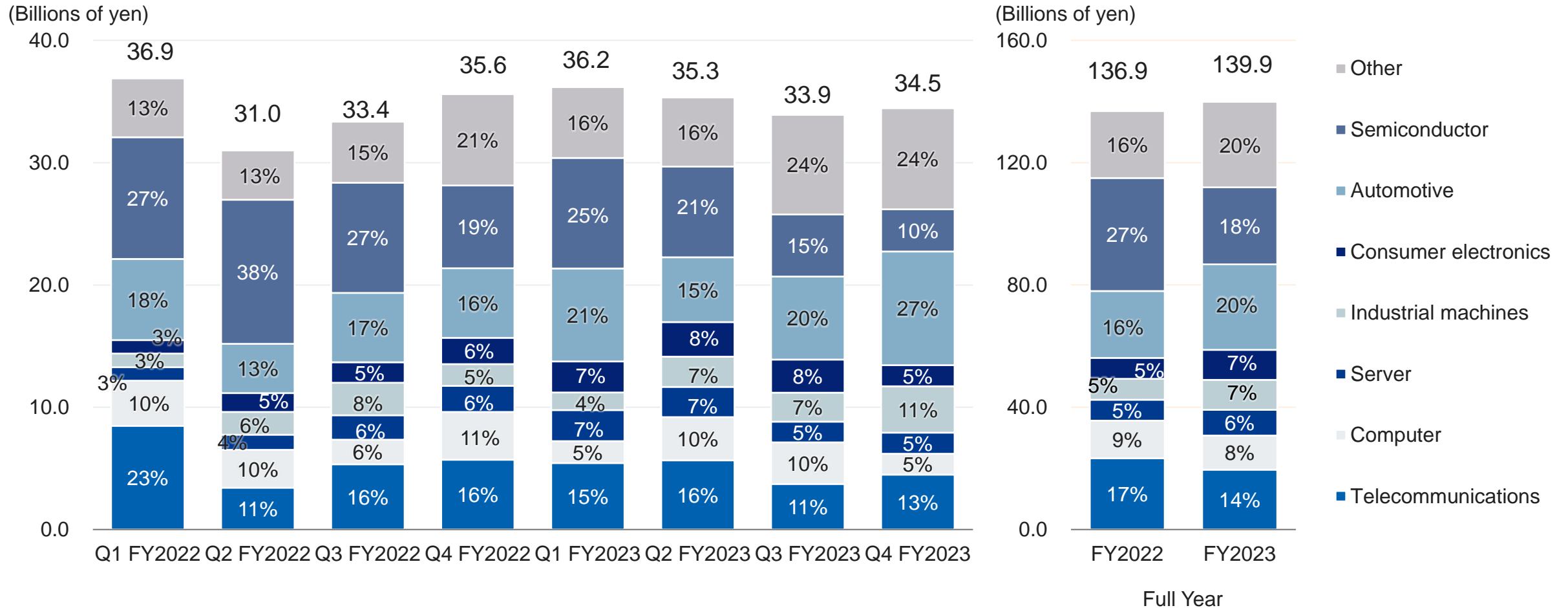
Robotic Solutions Division Net Sales by Region

- China: Decline in sales due to slowdown in demand for the telecommunication-related markets and the shifting of production bases to other countries in Asia
- Europe and the North America: Remained strong, especially for automotive and industrial machinery markets

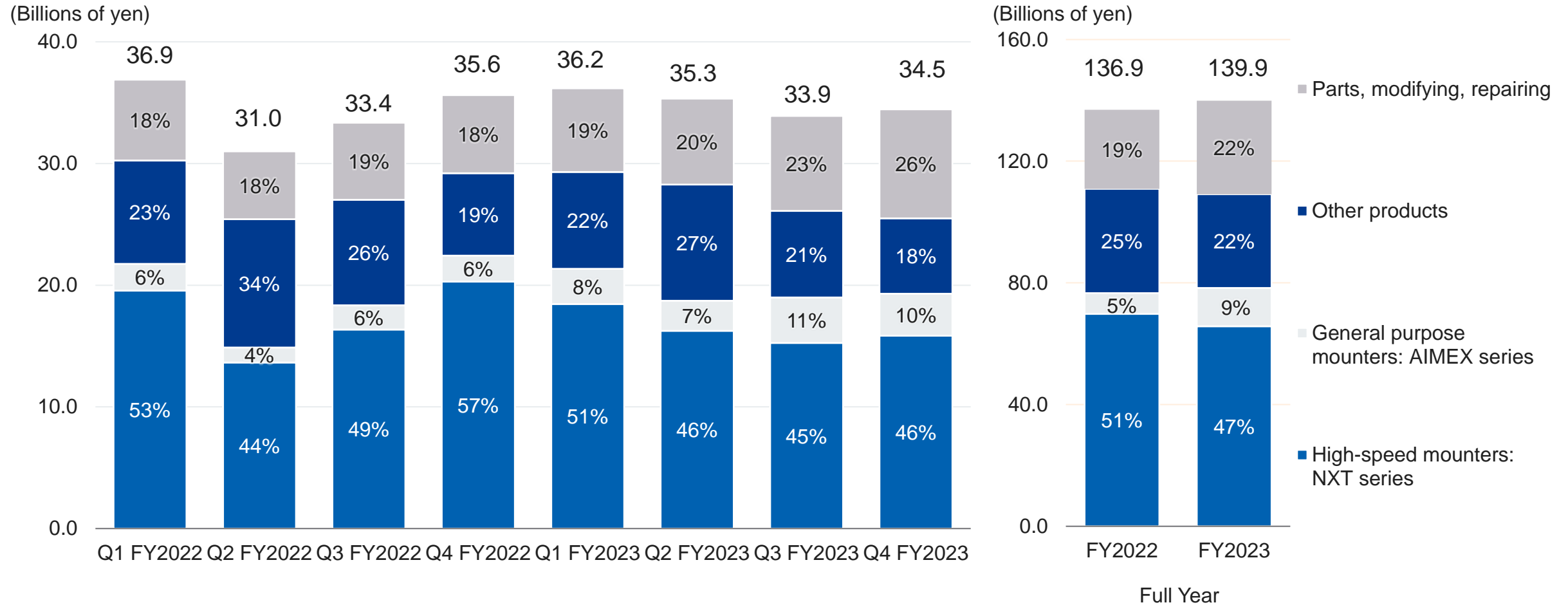


Robotic Solutions Division Net Sales by Sector

- Automotive: Steady growth in EV-related capital investment
- Semiconductor: Capital investment remained soft



Robotic Solutions Division Net Sales by Machine Type



Machine Tools Division

Highly accurate machined parts which compose automobiles and industrial machinery are essential for society. These are manufactured by machine tools often called "mother machines" which are used to cut and process metal materials.



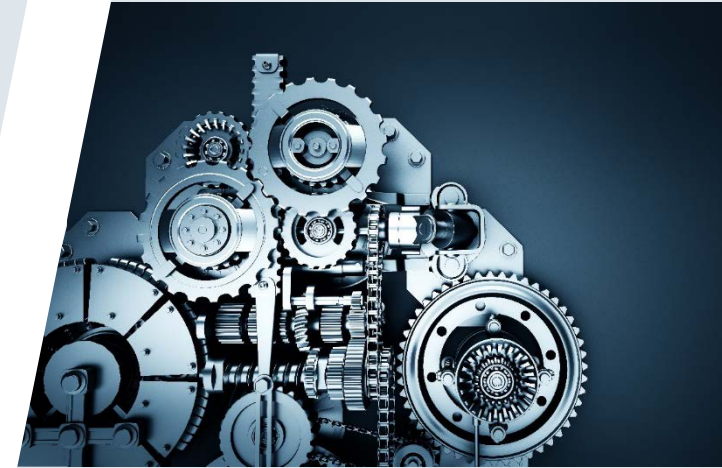
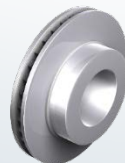
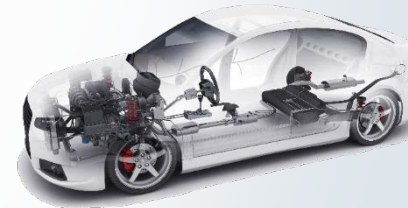
Ultimate Multi Task Machine
GYROFLEX



Front Facing Twin Spindle Lathe
CS SERIES



Opposing twin spindle lathe
ANW III SERIES

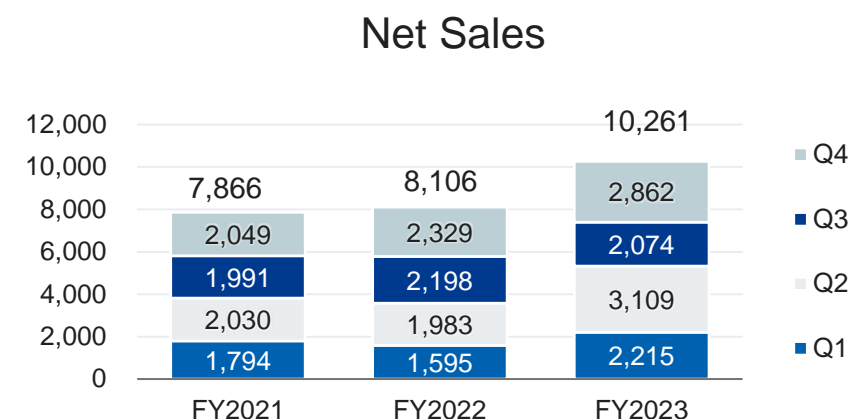
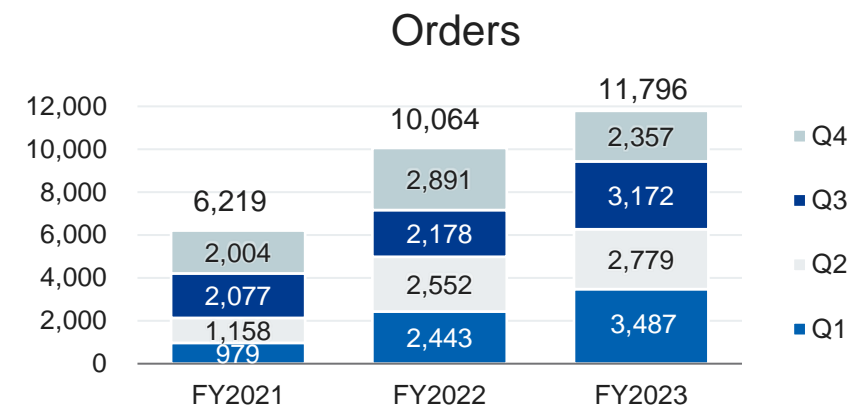


Machine Tools Division Results

- Despite an increase in orders and sales due to increased capital investment in the automobile industry, mainly in North America, the increase was not yet sufficient to contribute to profits due to soaring material costs

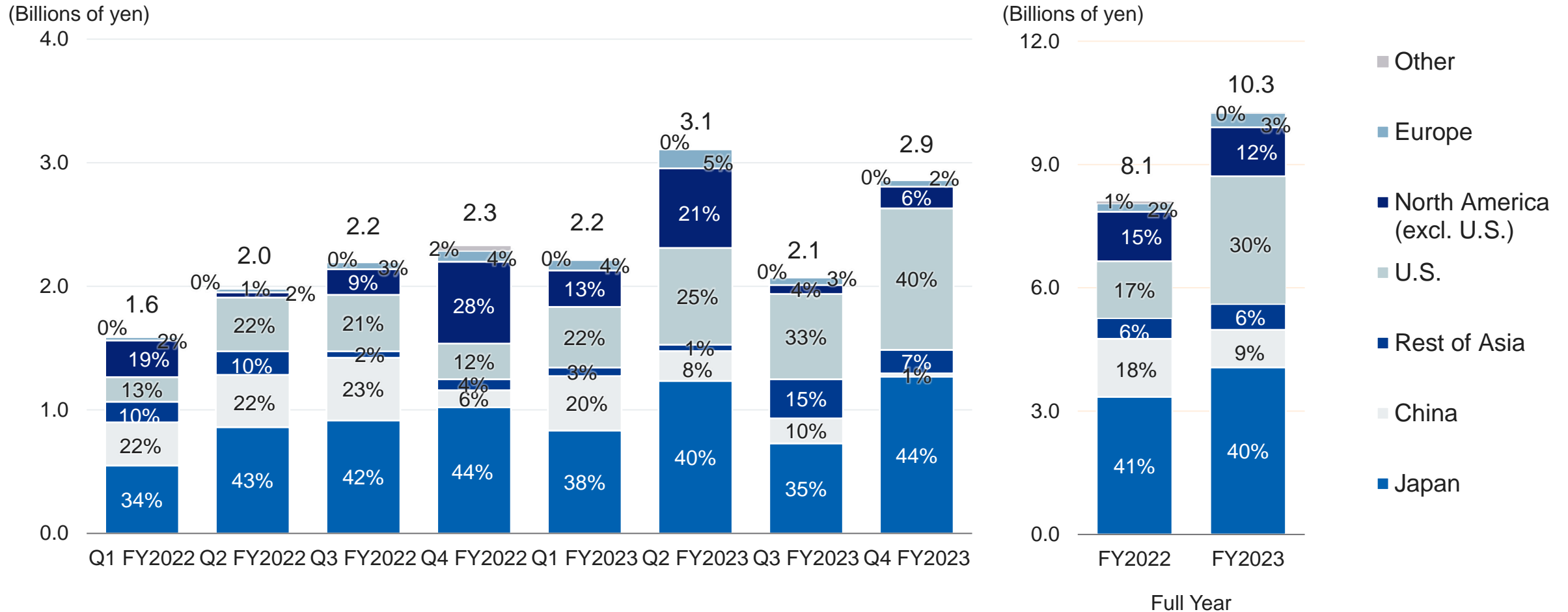
(Millions of yen)

	FY2022 results	FY2023 results	Compared to the same period last year	
			Amount	Ratio
Orders	10,064	11,796	+ 1,732	+ 17.2%
Net sales	8,106	10,261	+2,155	+26.6%
Operating profit	▲ 852	▲ 644	+ 207	-
Order backlogs	5,644	7,179	+ 1,534	+ 27.2%

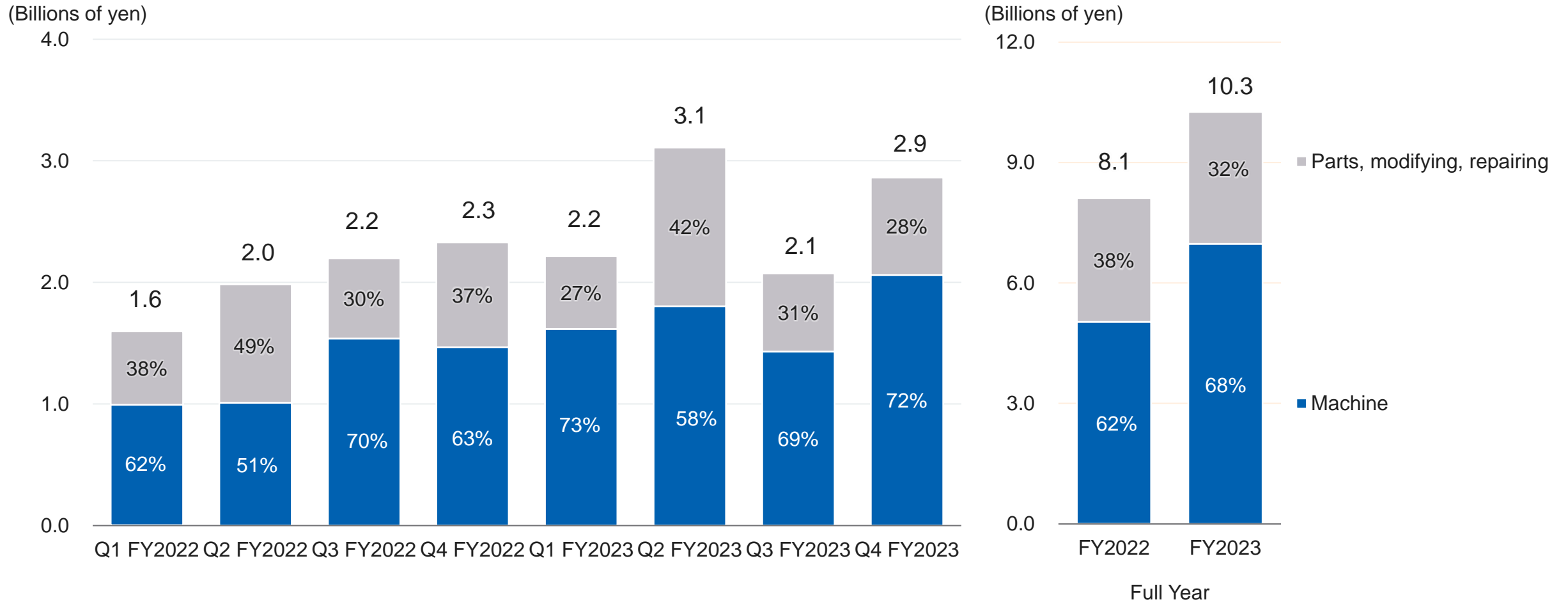


Machine Tools Division Net Sales by Region

- Japan and U.S.: Recovery trend in automobile-related capital investment
- China: Cautious stance on capital investment continued



Machine Tools Division Net Sales by Category





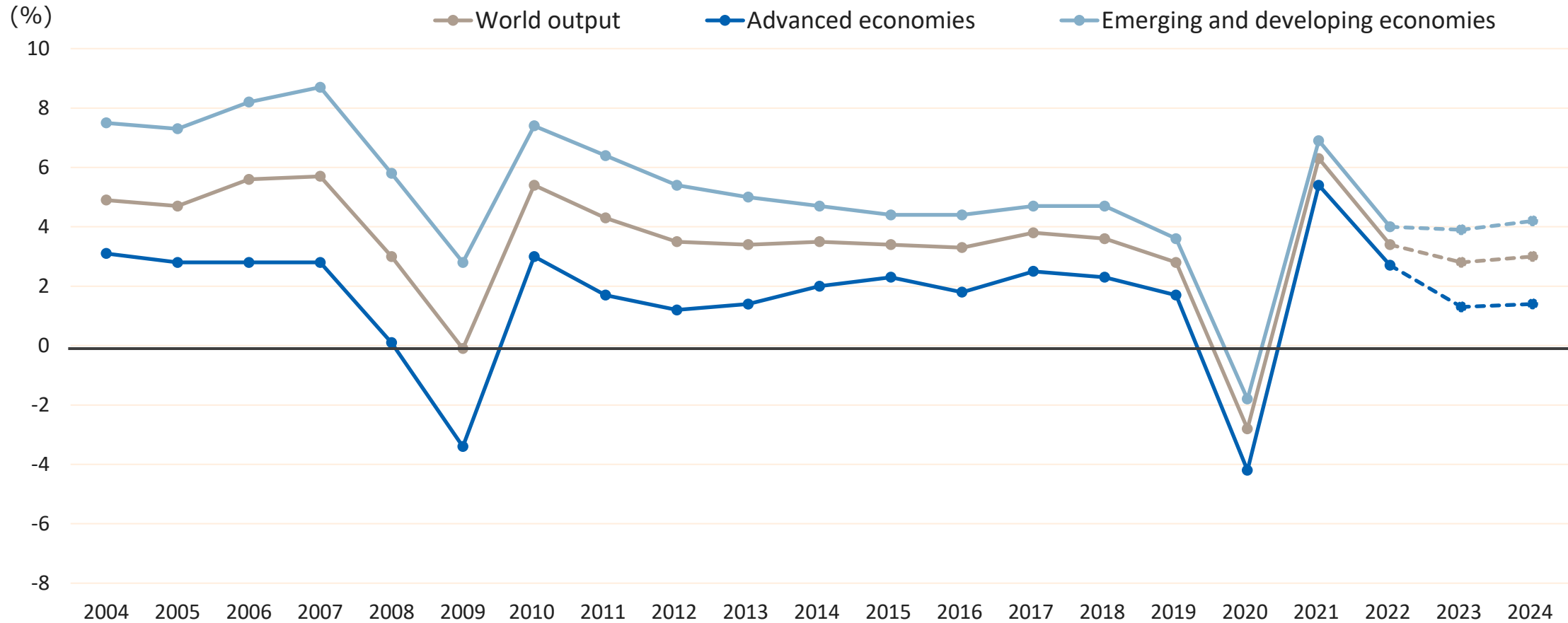
1. Financial Results Briefing

1-2. Financial Forecast for FY2024



Economic Growth Rates

■ Due to prolonged inflation and financial turmoil, the growth is to fall to 2.8% in 2023 and remain at 3% in 2024



Source: IMF, World Economic Outlook, April 2023

Results Forecasts

- Global demand for semiconductors is expected to slow down, which will impact the demand for our main selling pick-and-place machines, with sales expected to decline.
- Profits have soaring material costs and other factors taken into consideration.

(Millions of yen)

	FY2023 results	Forecast for FY2024			
		First half	Full year	Compared to the same period last year	
				Amount	Ratio
Orders	142,429	68,000	140,000	▲2,429	▲1.7%
Net sales	153,326	70,000	142,000	▲11,326	▲7.4%
Operating profit	27,108	11,000	20,500	▲6,608	▲24.4%
Operating profit ratio	17.7%	15.7%	14.4%	—	—
Ordinary profit	29,016	10,900	20,700	▲8,316	▲28.7%
Profit attributable to owners of parent	20,454	7,300	14,000	▲6,454	▲31.6%

Forecast of Orders and Net Sales by Segment

(Millions of yen)

		FY2023 results	Forecast for FY2024			
			First half	Full year	Compared to the same period last year	
					Amount	Ratio
Robotic Solutions	Orders	127,708	61,000	125,000	▲2,708	▲2.1%
	Net sales	139,879	63,000	127,000	▲12,879	▲9.2%
	Order backlogs	45,127	43,127	43,127	▲2,000	▲4.4%
Machine Tools	Orders	11,796	6,000	12,500	+703	+6.0%
	Net sales	10,261	6,000	12,500	+2,238	+21.8%
	Order backlogs	7,179	7,179	7,179	±0	-
Others	Orders	2,923	1,000	2,500	▲423	▲14.5%
	Net sales	3,185	1,000	2,500	▲685	▲21.5%
	Order backlogs	387	387	387	±0	-
Total	Orders	142,429	68,000	140,000	▲2,429	▲1.7%
	Net sales	153,326	70,000	142,000	▲11,326	▲7.4%
	Order backlogs	52,695	50,695	50,695	▲2,000	▲3.8%



1. Financial Results Briefing

1-3. Shareholder Return Policy





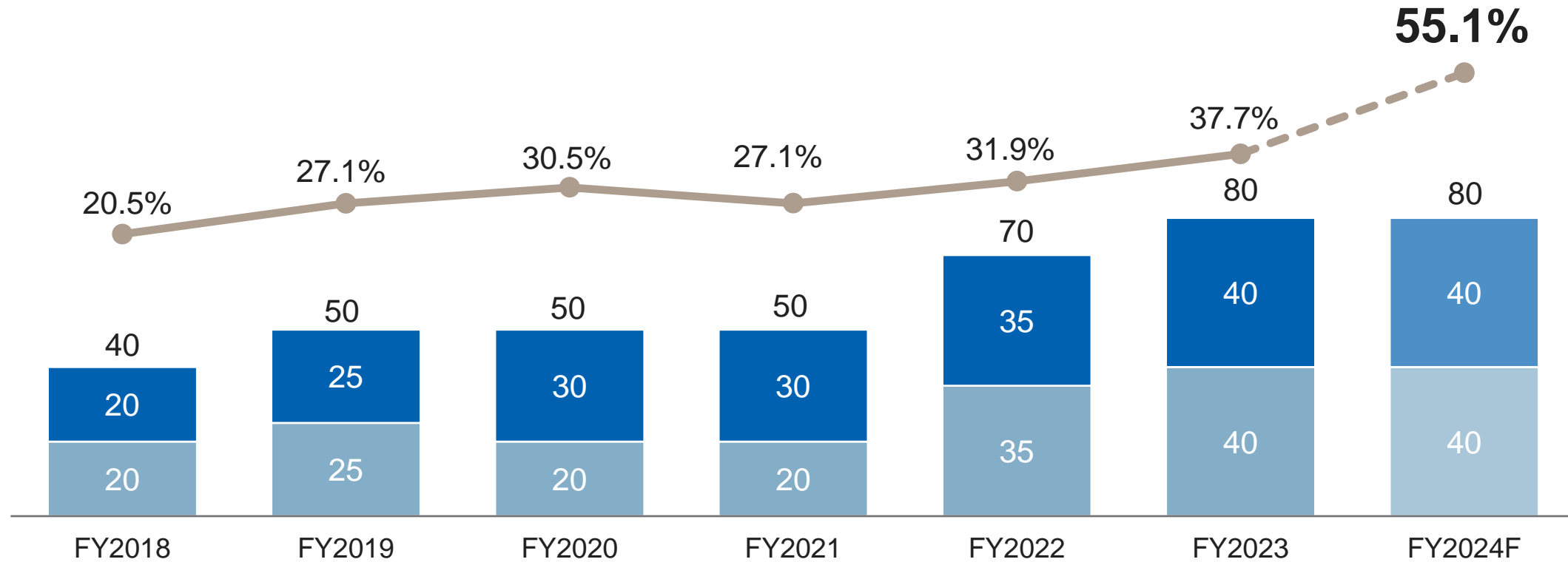
Shareholder Return Policy

- Ensuring that a portion of the results of our business activities is allotted as returns to our shareholders is a matter of high priority, and we have set the following as our new shareholder return policy.
 1. Set the dividend payout ratio of 50% as a base
 2. Flexibly repurchase its own stock

Dividends

- Fixed at 80 yen for current period
- Plan for 80 yen for the next fiscal period in accordance with the new dividend policy

■ Interim dividends per share (Yen)
 ■ Year-end dividends per share (Yen)
 ● Dividend payout ratio



Regular dividend: 40.00
 Commemorative dividend: 10.00



Share Repurchase Program

■ The Company's Board of Directors resolved on May 11, 2023 to repurchase its stock.

1. Total number of shares to be repurchased: 6,000,000 shares (maximum)
2. Total amount of repurchase price: JPY 10,000,000,000 (maximum)
3. Repurchase period: From May 12, 2023 to May 11, 2024
4. Repurchase method: Purchase through auction market on Tokyo Stock Exchange

Reference: Treasury stock as of March 31, 2023

Total number of shares issued (excluding treasury stock): 96,472,271 shares

Number of treasury stock: 1,351,477 shares



2. Review of the Mid-term Business Plan (FY2022 to 2024)

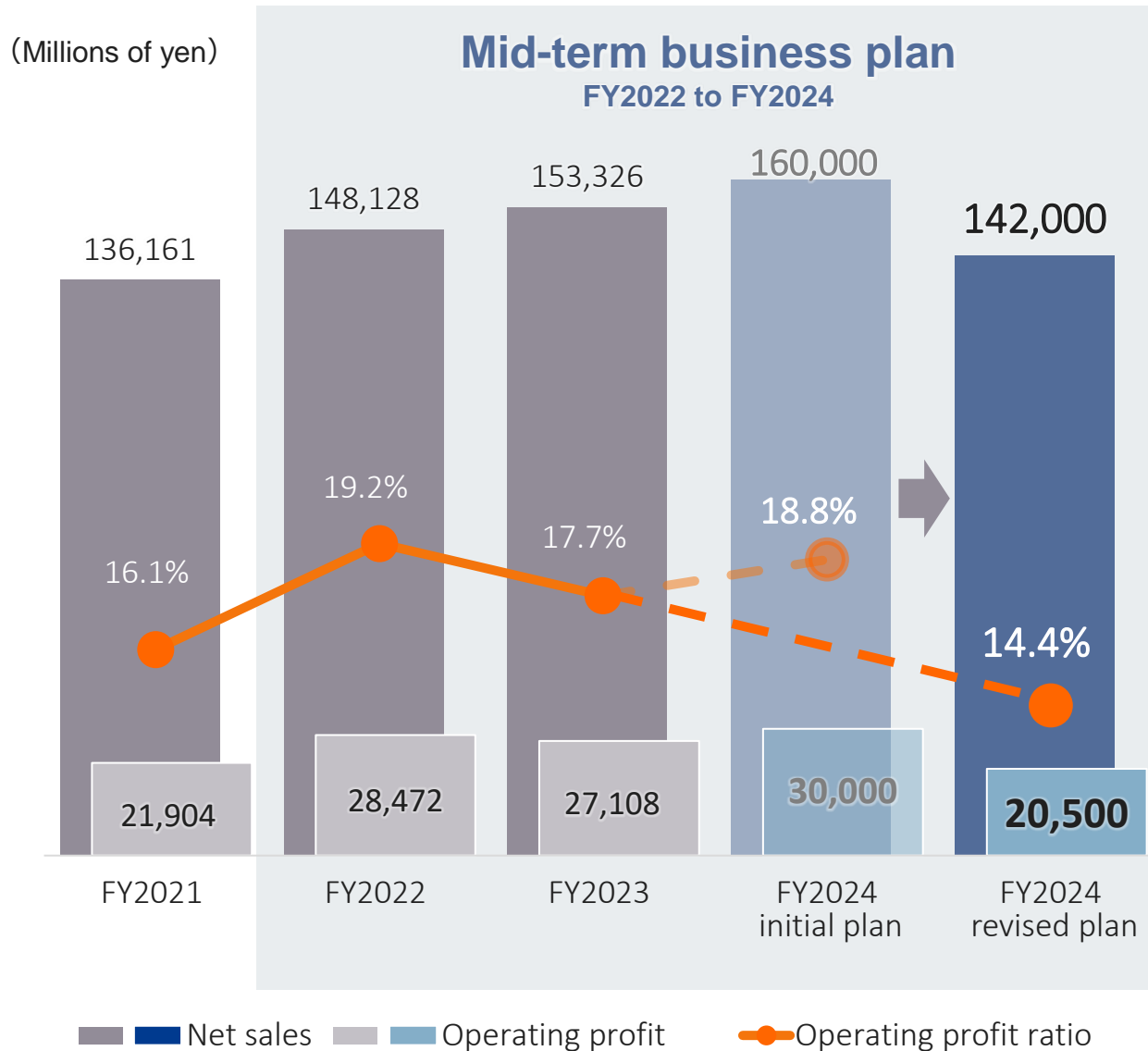
2-1. Corporate Ideologies

Fuji Group conducts its business activities under the purpose: "**Enriching the lives of those in the world around us**" and utilizes the technology and knowhow developed over the years to resolve social issues in order to realize a sustainable society.

- Fuji's corporate ideologies system



2-2. Mid-term Business Plan Revision



Performance

FY2022

- Increased demand for smartphones and computers due to changing lifestyles
- Increased capital investment in semiconductors

FY2023

- Increased capital demand for industrial machinery and EVs sectors, mainly in Europe and North America.
- Decreased operating profit due to the impact of soaring material costs and SG&A expenses.

Revised plan

- In FY2024, the final year of the mid-term business plan, both sales and operating profits are expected to fall short of the initial plan due to a slowdown in the Chinese market and soaring material costs.

2-2. Mid-term Business Plan Revision

● Segment breakdown

(Million of yen)

		FY2024 Initial plan	FY2024 Revised plan
Robotic Solutions	Net sales	140,000	127,000
	Operating profit	31,000	24,200
Machine Tools	Net sales	16,000	12,500
	Operating profit	1,800	0
Others	Net sales	4,000	2,500
	Operating profit	400	0
Total	Net sales	160,000	142,000
	Operating profit	30,000	20,500

Robotic Solutions

Net sales:

- Expansion in mounter market from 350 billion yen to 360 billion yen, but weak capital demand for smartphone-related sectors, a specialty of the Company
- Die bonder demand decline due to a temporary slowdown in the semiconductor market

Operating profit: Decline due to weak sales and soaring material costs being more significant than the selling price improvements

Machine Tools

Net sales: Weak sales of specialized machines for automobile internal combustion engine parts

Operating profit: Decline due to weak sales and soaring material costs

Others

Net sales: Temporary decline in demand from semiconductor manufacturing equipment-related customers

Operating profit: Decline due to reduced sales

2-3. Mounter Market Environment

- Future society prospects

Current important points

Carbon neutrality

Declining birthrate and workforce

Real and virtual exchange

IoT and AI introduction

Demands on medical and nursing care



Predictions for future societies

Communication
A connected society that is not dependent on place, time, or people

Mobility
Complete automatic driving
Connected mobility by linking to all kinds of information

Social infrastructure
Disaster forecasts and realtime damage assessments based on space-based information

Service industry
Use of virtual currency
Change from selling things to selling data

Information communication, education
Hands-on learning through virtual space and flexible work styles through AR

Distribution and transportation
Seamless smart logistics tailored to your personal needs

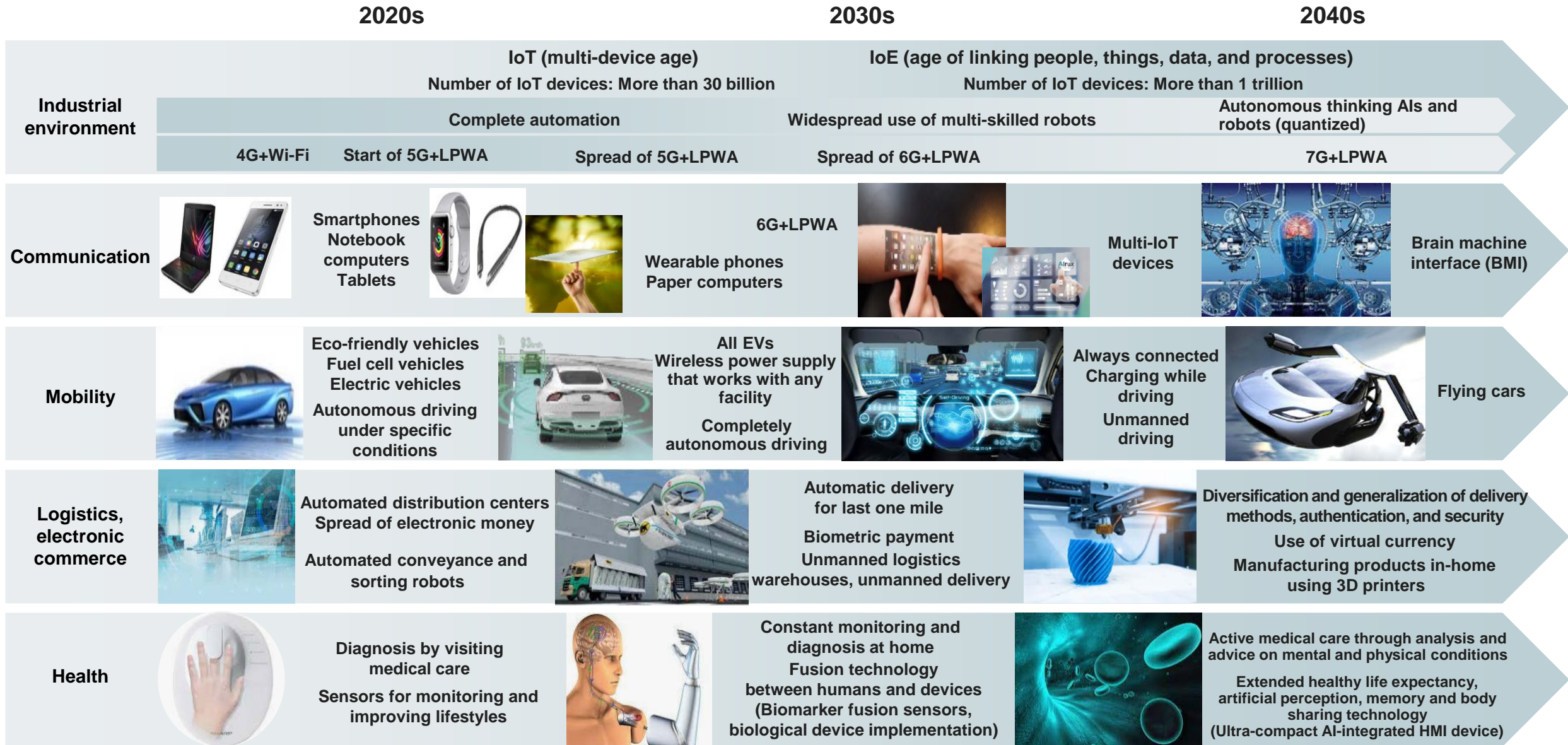
Medical, health care
Home healthcare, AI surgery
Grasping signs of diseases, emotional analysis

Food and agriculture
Society with zero hunger and zero food loss
Spread of alternative foods
Optimum distribution of food

Factory
Fully automated
Autonomous control of production, revenue, and environment

2-3. Mounter Market Environment

- Technological development soon to be realized



2-3. Mounter Market Environment

● Drivers of growth in the electronics market

Next generation communication base stations and communication devices



Automatic driving assistance



VR/AR



Expanding use of ICT



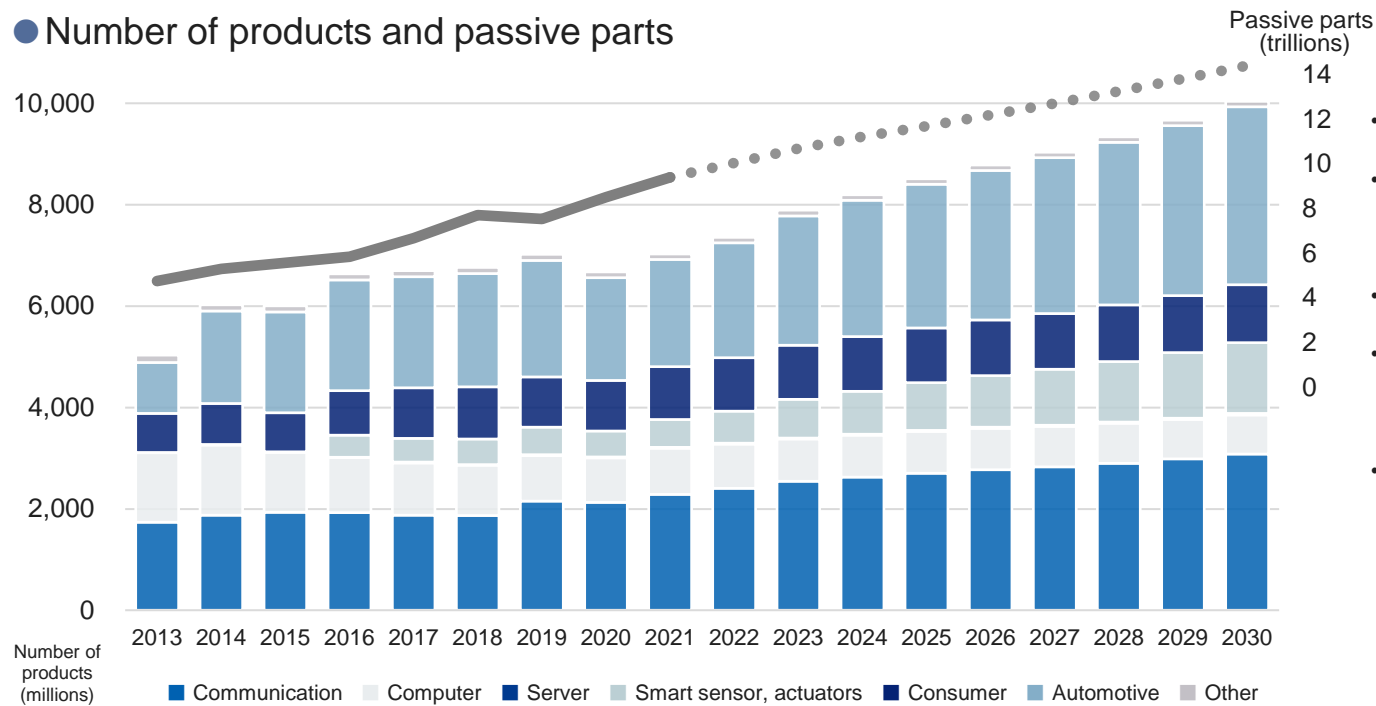
Smart cities



AI



● Number of products and passive parts



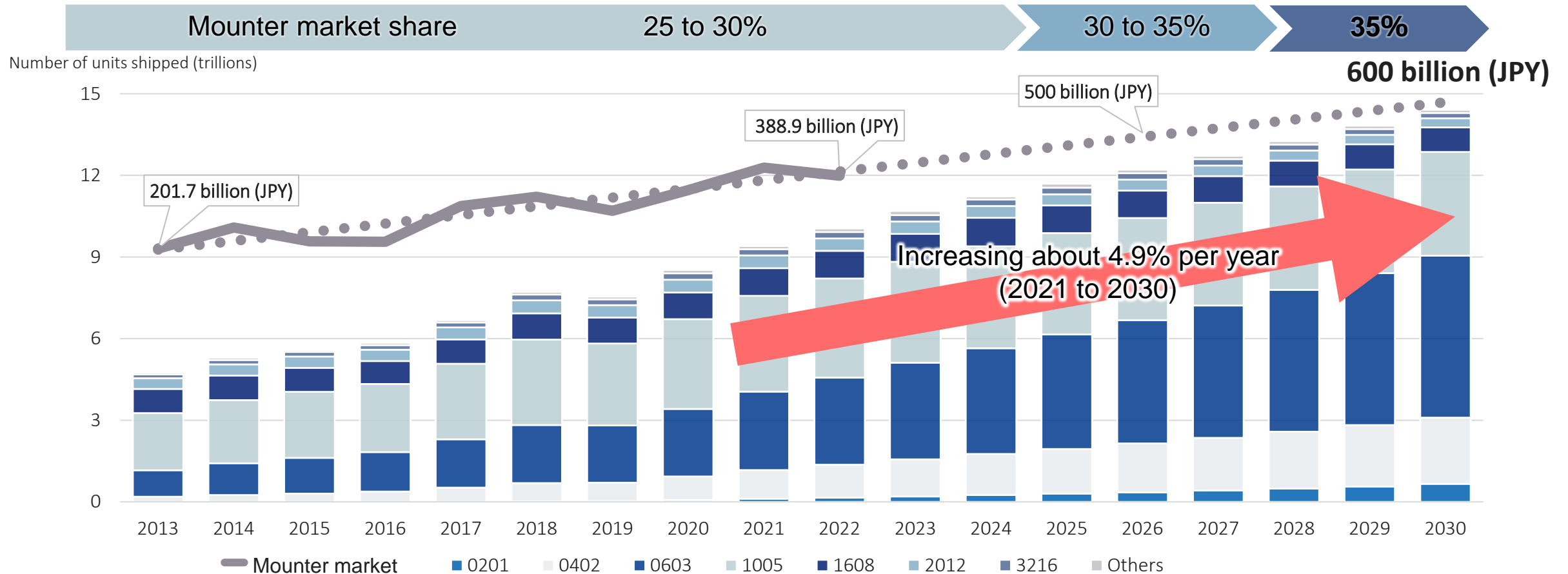
- Expanding electronics market
- Electrification and increasing advanced functionality of cars (EV, ADAS, CASE)
- Advancement of smart factories (automation and labor-saving measures)
- Increasing capital investment for next generation communication and for communication equipment
- Increased number of products with new technologies such as AI and VR/AR

In 2030, the placement quantity of passive parts will exceed 14 trillion

2-3. Mounter Market Environment

- As the number of parts increases, the market for mounters, which are responsible for placing components, also expands. By 2030, the market size will be close to 600 billion yen.
- Fuji is aiming for a 35% share of the moulder market by 2030 in the growing moulder market.

● Passive part count by size and moulder market



Prepared by Fuji based on research data from Fuji Chimera Research Institute and MDC

2-3. Mounter Market Environment

2030 – Towards establishing a 35% mounter market share

- R&D . . . Full-scale introduction of **new flagship models** to the market

NXTR
FUJI Smart Factory Platform

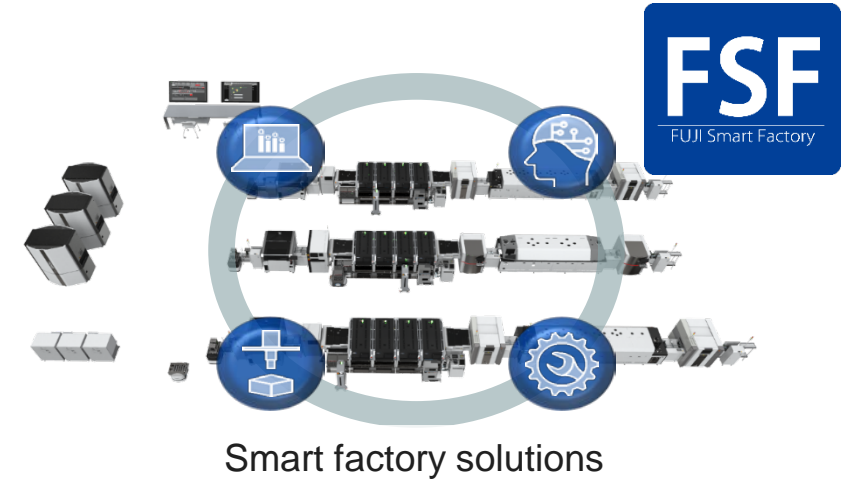


More compact and faster
(+automation)

AIMEXR



Versatile production and large panels



- Sales . . . Use of digital technology



- Reliable, responsive services
- Consulting services
- Identifying customer needs

- Production . . . Factory renovation



New facility at Okazaki Plant
scheduled to begin operation
in September 2024

- Thorough digitization
- High-efficiency, high-quality manufacturing
- Production capacity increased by **50%**

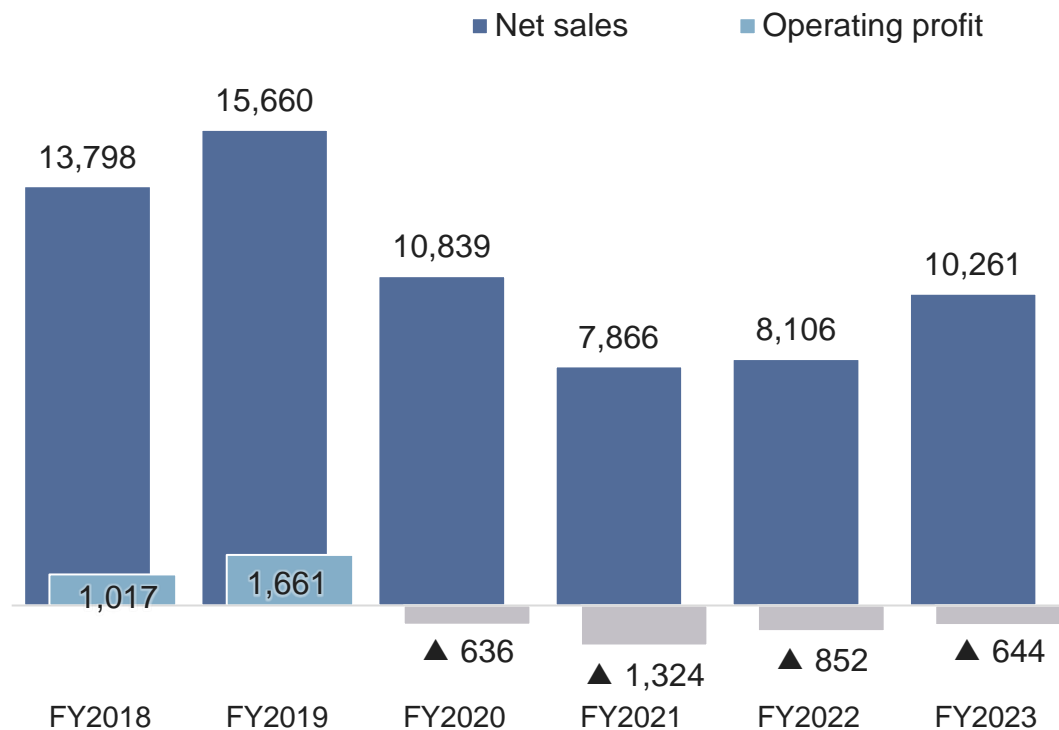
2-4. Machine Tools Division Current Status and Issues

Machine Tools Division current situation

(1) Contrary to the upward trend of the machine tool industry in recent years, the Company has not been able to ride the wave.

● Machine Tools Division results

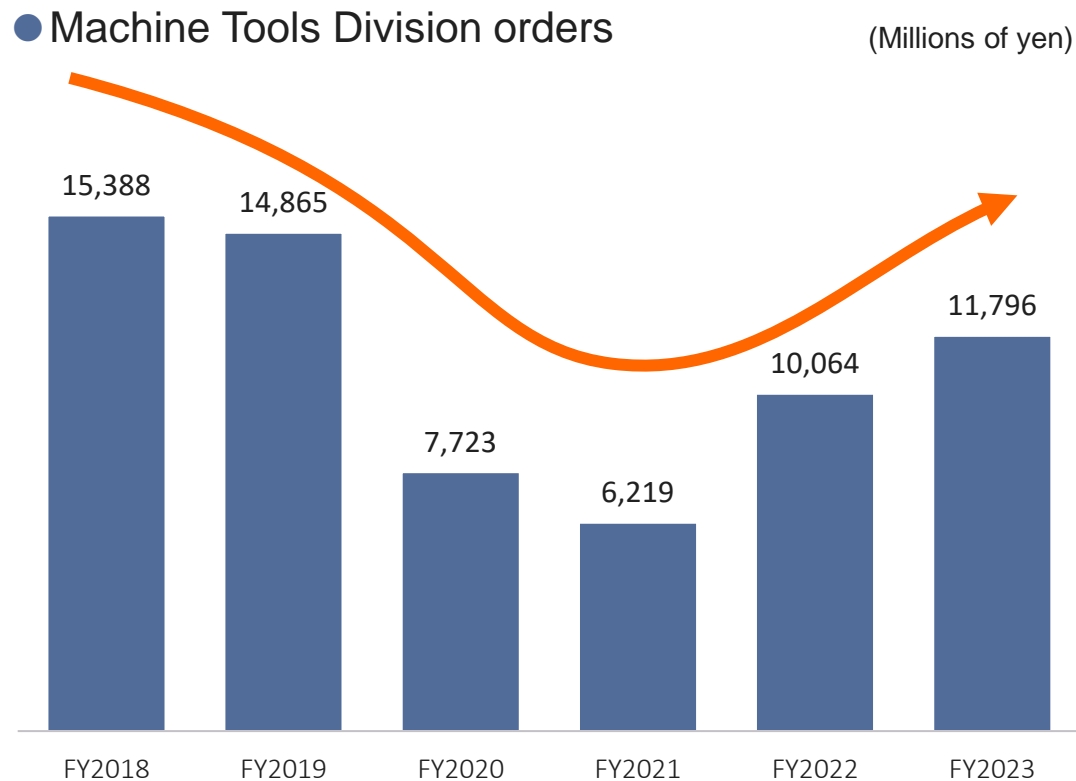
(Millions of yen)



- Shrinking demand for specialized machines for the automobile industry, our main market
- General-purpose machine specifications do not match with the market
- Cannot acquire customers in non-automobile related fields

2-4. Machine Tools Division Current Status and Issues

(2) On the other hand, orders have bottomed out and are recovering.



- Increased orders received from EV demand
- Discovered avenues for general-purpose machines through use of distributors
- Increased orders with short delivery times due to using turnkey solutions (matching with line specifications locally) overseas



2-4. Machine Tools Division Current Status and Issues

Key measures to return to profitability

Reduced cost

- Reduce fixed costs, expenses, and material costs

Sales

- Expand distributor's network and establish general-purpose machine businesses
- Develop turnkey businesses (automobile, construction machinery, agricultural machinery, industrial equipment)
- Perform deep cultivation of growth industries (speed reducers, semiconductors, medical care)

Engineering

- Introduce products for the general-purpose machine market (digital transformation and energy saving)
- Improve performance and reduce costs of current models (ANW III, CDS-300II, TN-300II, etc.)

Production

- Employ digital technology to improve production efficiency and create a flexible production system
- Strengthen turnkey solutions for businesses at Fuji Machine America Corporation (U.S.) and Kunshan Plant (China)

2-5. Financial Strategy

Maintain a stable financial base while optimally allocating funds for investment in growth and shareholder returns

⇒ **Corporate value enhancement**

● Basic policies

Management base

- Cash flow management
- Prepare for future risks

Investment for growth

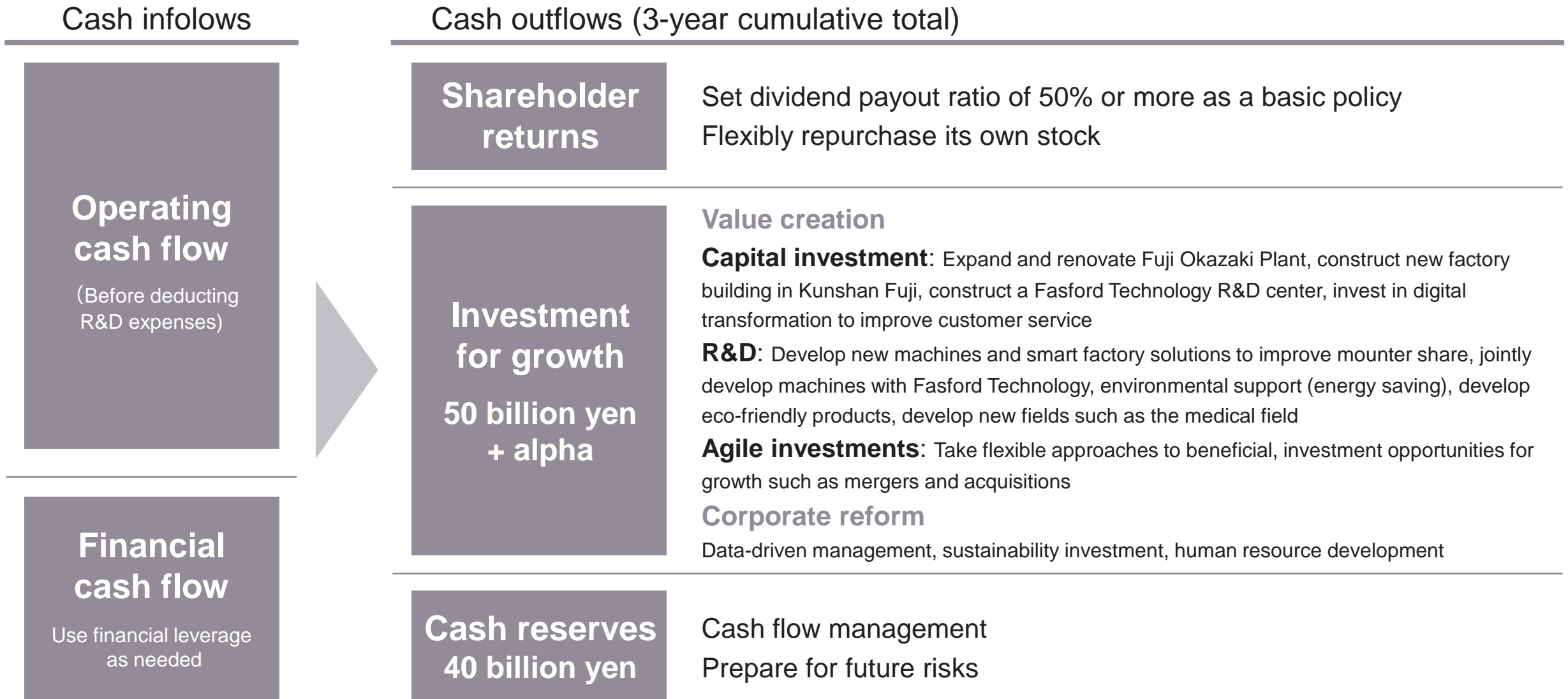
- Strengthen competitiveness in existing business, ensure sustainable growth
- Develop new business fields
- Solve social issues

Shareholder returns

- Basic dividend payout ratio: 50%
- Share repurchase programs

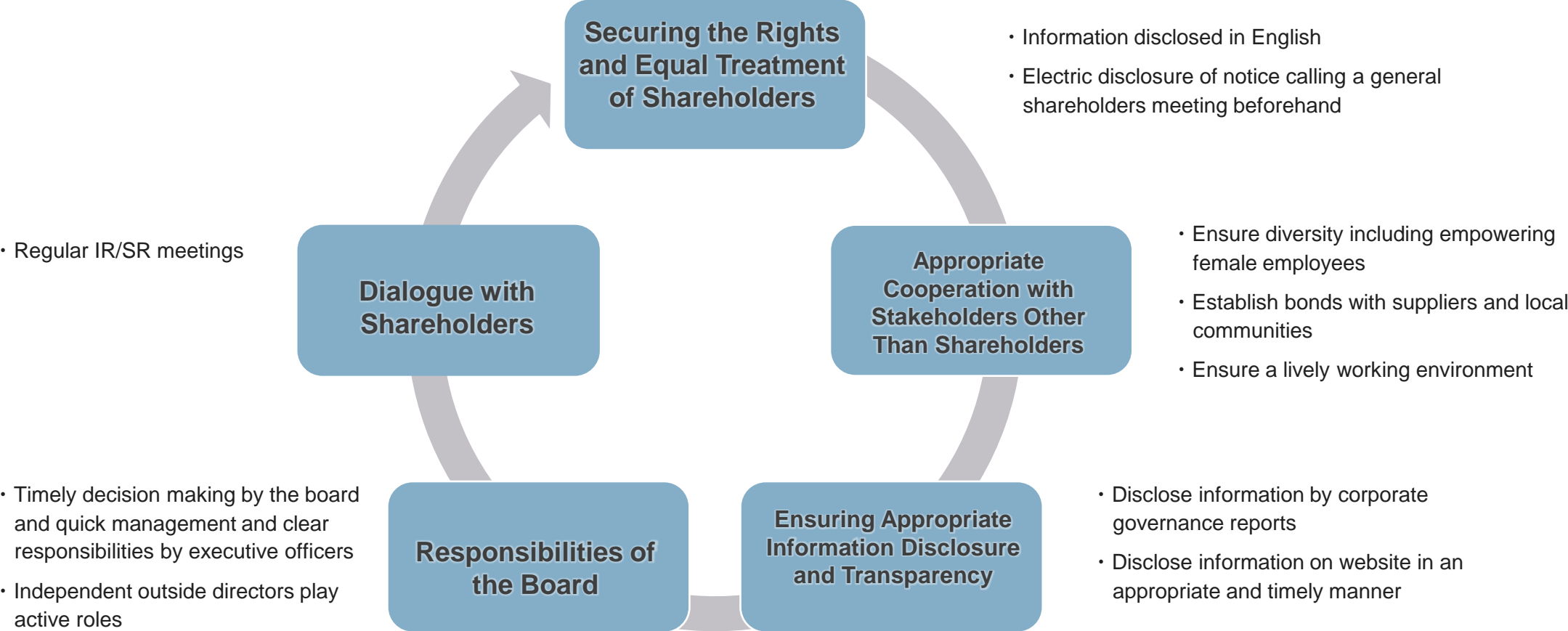
2-5. Financial Strategy

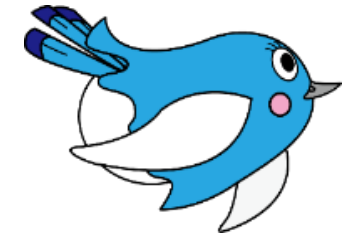
- Cash allocation for the next three years



Corporate Governance Code

■ Fuji is improving corporate value based on Corporate Governance Code.





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.

