



FUJI CORPORATION

Mid-term business plan

(FY2022 to 2024)

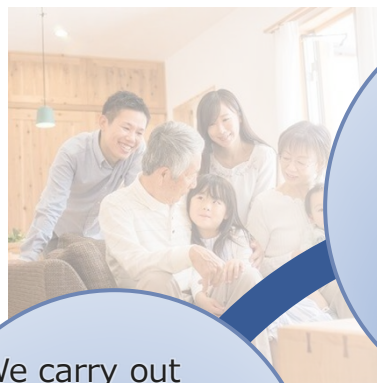
May 2021

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- ◆ 2. Brief and policies
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- ◆ 1. Management philosophy
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FUJI's management philosophy



All operations are undertaken in compliance with the applicable laws, social norms, Articles of Incorporation, and office regulations.

By continuously developing technology and improving quality, we provide products and services that contribute to the creation of a more convenient and comfortable society.

We carry out environmentally-conscious corporate activities, recognizing that the protection of the Earth's environment is an issue for all of humanity.

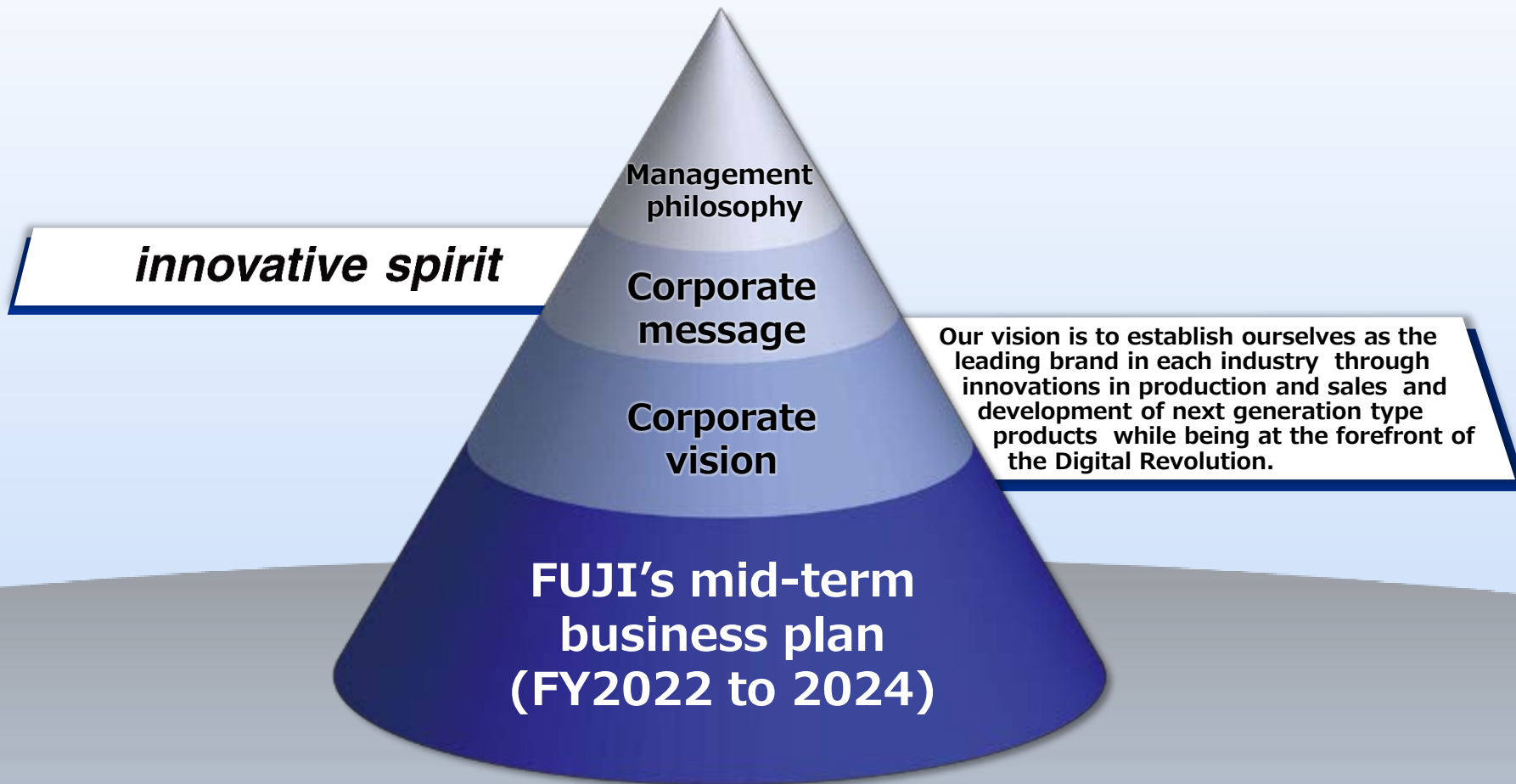


We seek to develop new business fields for the future through global and innovative management.

We have created a friendly work environment that respects individuals and fosters strong teamwork.



Management philosophy system and mid-term business plan



FUJI's goals

The No.1 brand in the industry

Develop new business

Increase corporate value

Grow existing business

Business
strategy

Development
strategy

Capital
strategy

Digital
transformation
strategy

Intellectual
property
strategy

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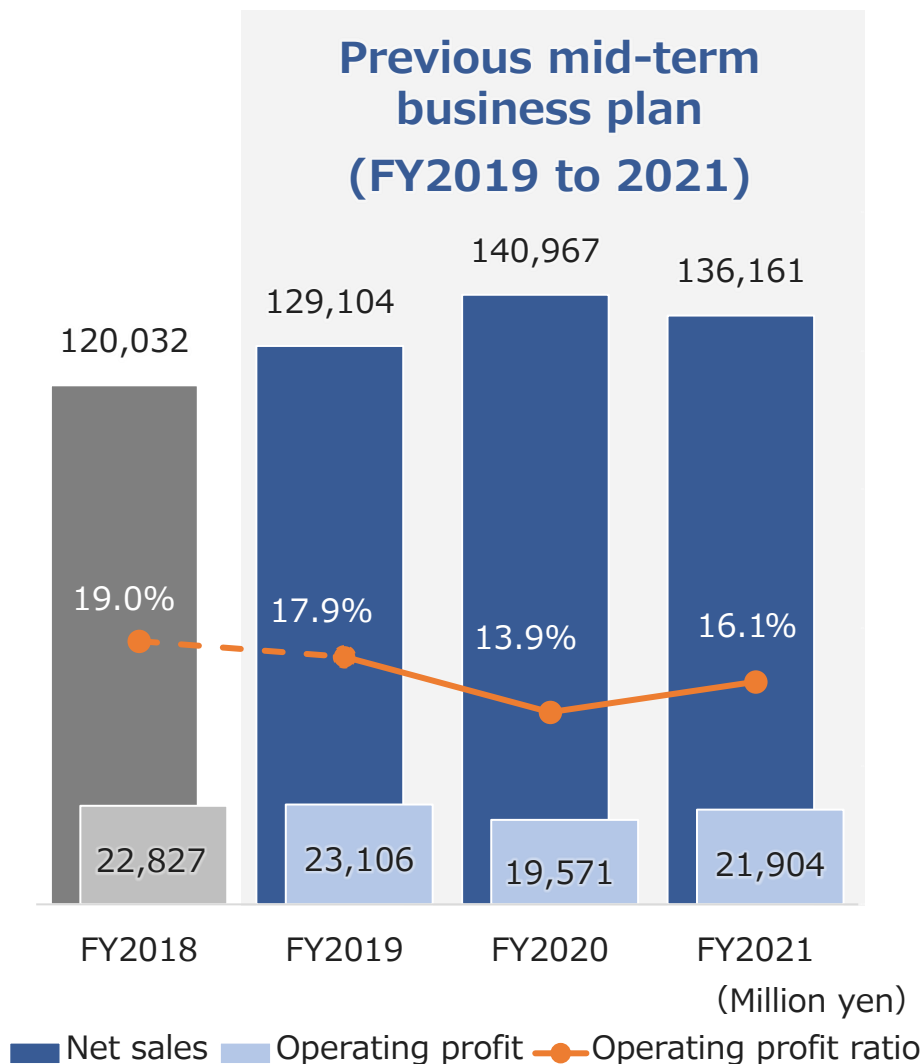
Previous mid-term business plan brief

Net sales

- Fasford Technology became a consolidated subsidiary in the second half of FY2019.
- Despite the external factors caused by the situation surrounding COVID-19 and trade friction between the United States and China, we achieved an increase in sales of 13% in the final year (FY2021) compared to FY2018.

Operating profit

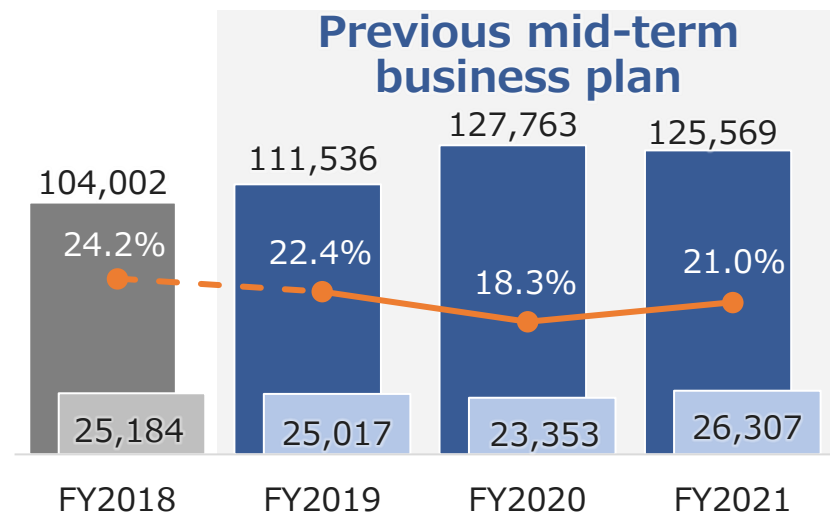
- Due to the intensification of price competition, profit growth did not keep pace with sales growth.



Previous mid-term business plan brief

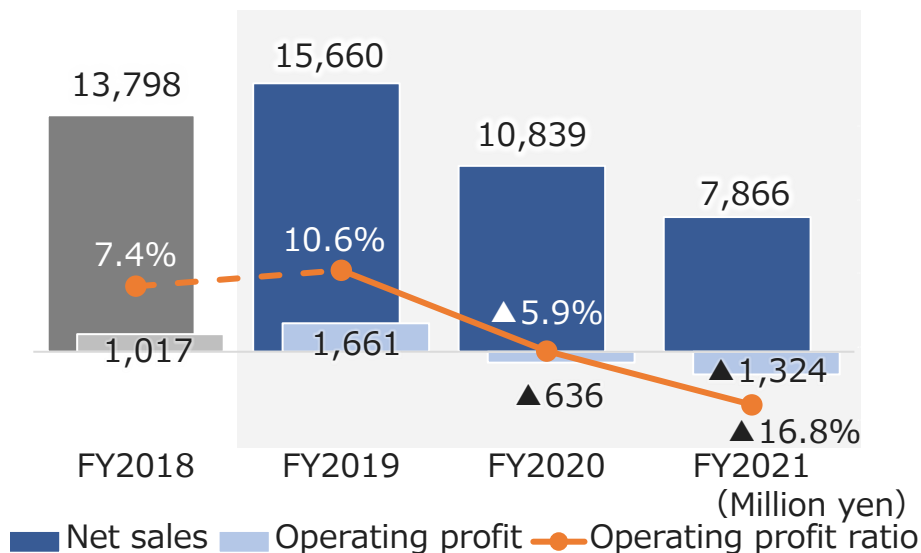
Robotic Solutions Division

- Although sales showed steady growth due to the consolidation of Fasford Technology Co., Ltd., expansion of 5G-related investment, and an increase in demand for computers and tablet devices driven by changes in lifestyles such as working from home, profit margins were slimmer due to intensified price competition.



Machine Tools Division

- Due to the impact of trade friction between the United States and China, and the global spread of COVID-19, sales decreased significantly. As a result, the company recorded operating losses in FY2020 and FY2021.



Previous mid-term business plan brief

Product development

- Began sales of our high-end robotic electrical component mounter, "NXTR"
- Announced the Ultimate Multitasking Machine "GYROFLEX"
- Began operation of the new "e-Sys" platform for Sier use
- Began a contract prototyping service using the 3D electronics printer "FPM-Trinity"
 - Received the "Semiconductor of the Year 2020" Award of Excellence
- Began sales of the "Hug" T1-02 model in our series of mobility support robots
 - Won the 9th Robot Awards in the category awarded by Japan's Ministry of Health, Labour and Welfare (MHLW)

Investment for growth

- Fasford Technology became a subsidiary company
- Established a subsidiary company for providing service in India (FUJI INDIA CORPORATION)
- Built new plant buildings at Toyota Plant and Okazaki Plant
- Invested in startups in the United States



Toyota Plant

SDGs

- Donated 200 million yen to Nagoya University
- Became a "Health and Productivity" company (from 2020 onward)
- Invested in social bonds



New mid-term business plan policies

Advance business strategies through digital transformation (DX)

Business development in line with the SDGs

Develop the market awareness of flagship machines

Pursue improvements in cost

Promote health and productivity in the workplace

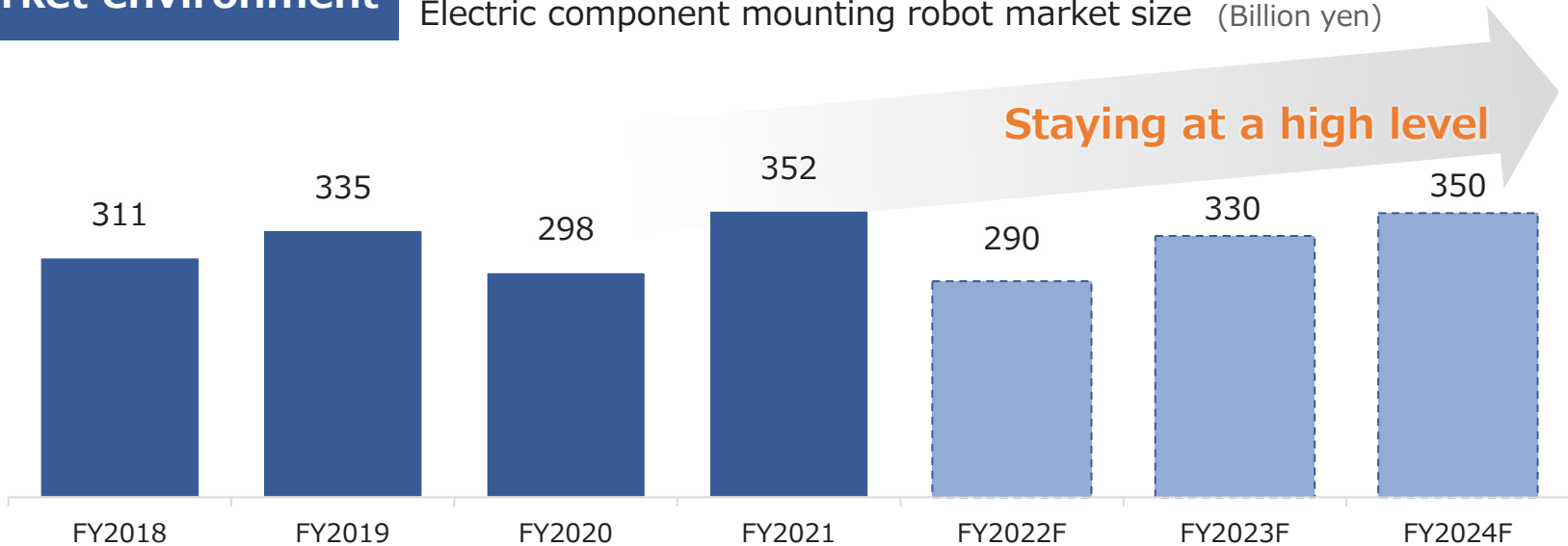
**Each is a step closer to becoming a company
with sales of 200 billion yen**

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Robotic Solutions Division

Market environment

Electric component mounting robot market size (Billion yen)



Source: Fuji's own estimates based on Market Data Convention (MDC) resources and other data

Expectations

- Increased demand for digital products as digital transformation is accelerated
- Acceleration of CASE technologies in the automotive field and increased demand for electric vehicles
- Increase in the quantity of electronic components needing to be placed due to the higher functionality of smartphones

Risks

- Economic slowdown due to prolonged impact of the COVID-19 pandemic
- The global shortage of semiconductors
- Shrinking demand due to intensifying trade friction between the United States and China

Robotic Solutions Division

Strategy

Develop the market awareness
of flagship machines

NXTR



– Three zeros concept –

Zero placement
defects

Zero machine
operators

Zero machine
stops

- Inheriting concepts from the NXT series, this high-end model pursues even higher quality and efficiency in SMT placement
- Makes unmanned SMT lines a possibility through zero placement defects, zero machine operators, and zero machine stops

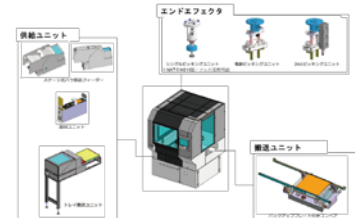
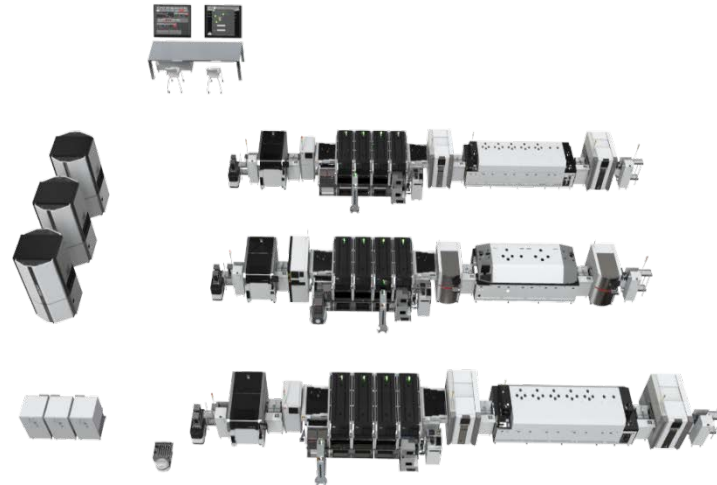
Expanding market share with a product lineup
that can meet every need

Robotic Solutions Division

Strategy

Promoting digital transformation and automation

- ◆ Sales
 - Increase the use of E-commerce sites
- ◆ Development
 - Take strong steps toward the realization of unmanned factories
- ◆ Production
 - Improve the efficiency of manufacturing through automation using AGVs and other robots
 - Production schedule management through digital transformation



**Pursue greater efficiency
in order to gain higher profit margins**

Robotic Solutions Division

Strategy

Offering total solutions

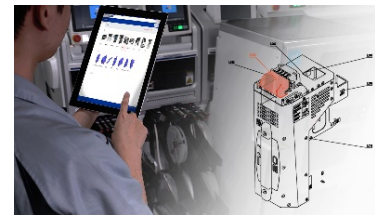
◆ Products

- Continuously provide high value-added products to the market
- Solution-based development in SMT process areas, to deliver products that excite and inspire our customers

◆ Services and software

- Provision of services that utilize digital technology
- Evolution of the Integrated Production System – Nexim
- Greater output through factory diagnosis of customer sites

With alliance and M&A activities



Advancement of FUJI Smart Factory

Robotic Solutions Division

Strategy

Expansion of sales for products other than electric component mounting robots



Multijoint robot

Smart Wing

- Responds to the need for automation of processes before and after the SMT process
- Expanded product lineups and stronger ties with SIers



Nursing care robots

Huo

- Reduce the load on caregivers at the time of care
- Strengthen global sales structure



Plasma processing equipment

Tough Plasma

- The bonding strength of adhesive and coating is improved through plasma irradiation
- Drive sales expansion in the Chinese market



Delivery locker system

Quist

- Next-generation locker systems that are enabled through IoT
- The market is expanding due to the growing need for non-contact pickup at stores in addition to home delivery

Robotic Solutions Division

Strategy

Synergistic innovation with Fasford Technology Co., Ltd.



FASFORD
TECHNOLOGY



FUJI
innovative spirit

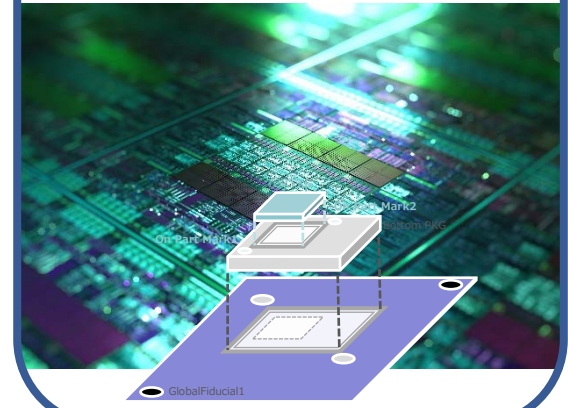
AI-based preventive and
predictive technology



Unmanned semiconductor
factory technology



Semiconductor packaging
technology

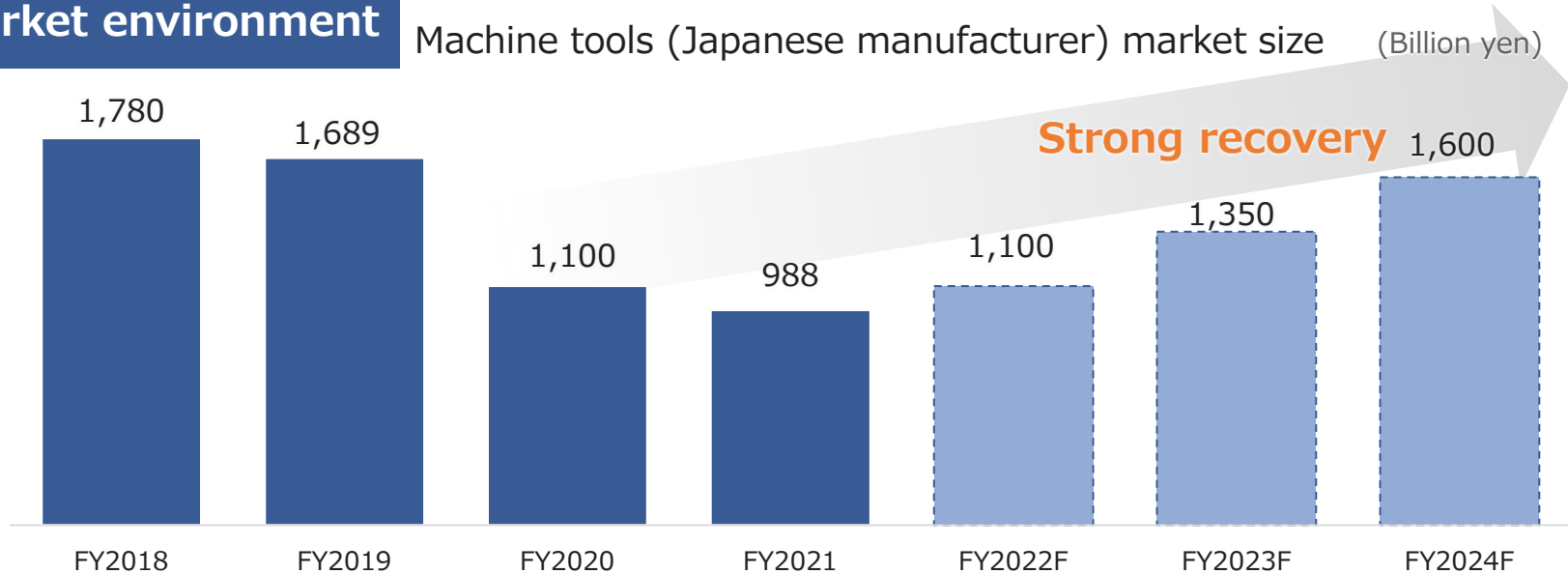


Combining the strengths of both companies
to bring highly competitive products to the market

Machine Tools Division

Market environment

Machine tools (Japanese manufacturer) market size (Billion yen)



Source: Fuji's own estimates based on statistical data from the Japan Machine Tool Builders' Association

Expectations

- Strong recovery in demand for capital investment, especially in China
- Even greater demand for automation in response to rising labor costs and other factors
- Growth of new fields including EVs

Risks

- Slow recovery due to prolonged impact of the COVID-19 pandemic
- Geopolitical risks, including the tensions between the United States and China
- Scales back production in the automotive industry due to the global shortage of semiconductors

Machine Tools Division

Strategy

Variable-mix variable-volume solutions

Variable-mix
variable-volume
/Mass production
×
Automation

◆ Expansion of product lineup

Mass
production
×
Automation

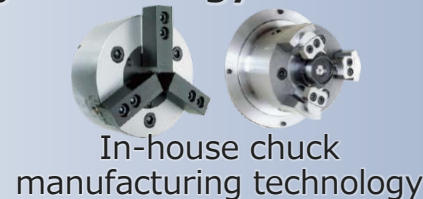
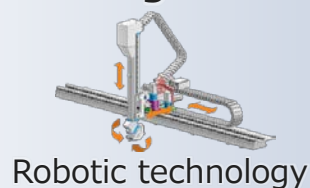


New users
that perform
variable-mix
variable-
volume
production

Existing users
shifting to
variable-mix
variable-volume
production

Existing
users that
perform
mass
production

◆ Solutions utilizing core Fuji technology

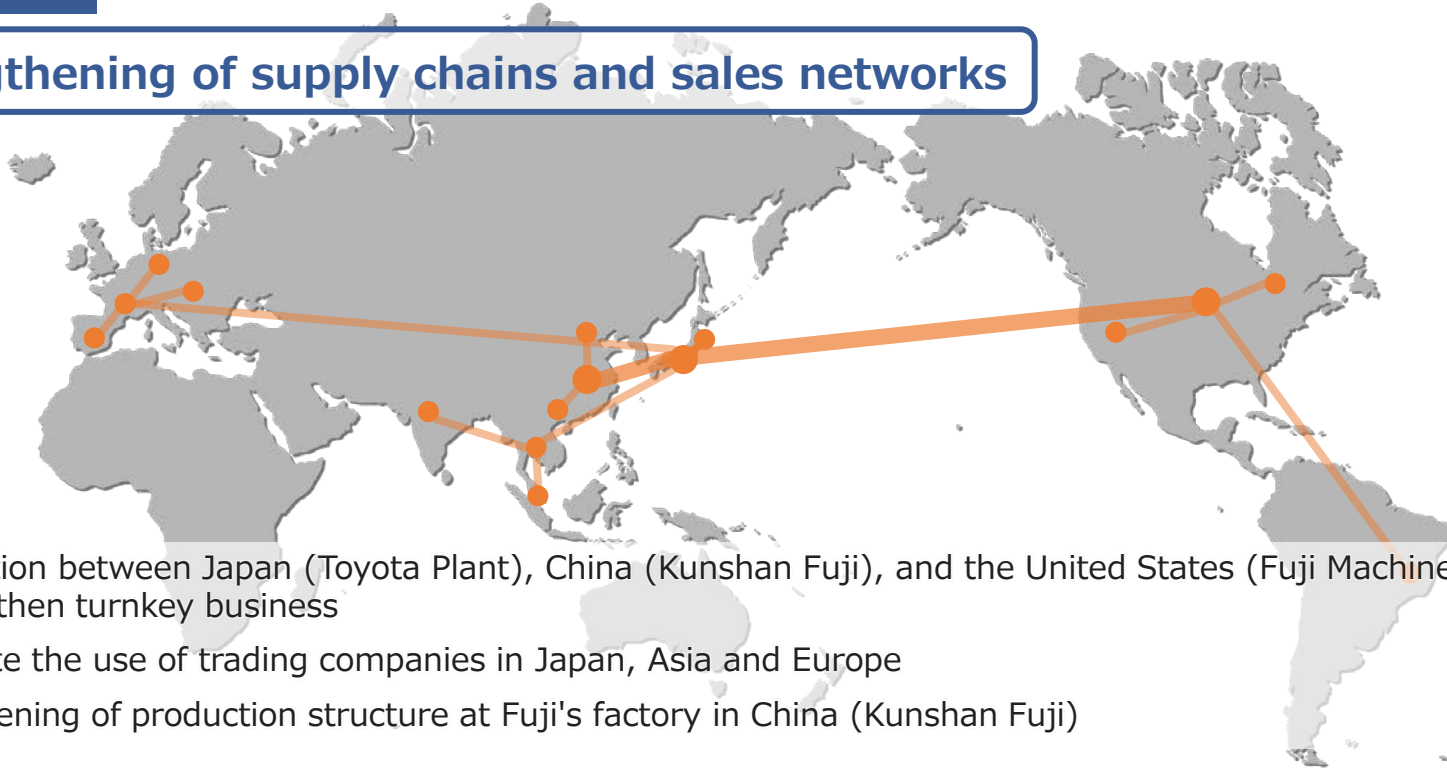


Existing
users that
perform
mass
production

Machine Tools Division

Strategy

Strengthening of supply chains and sales networks



- Cooperation between Japan (Toyota Plant), China (Kunshan Fuji), and the United States (Fuji Machine America)
⇒ Strengthen turnkey business
- Accelerate the use of trading companies in Japan, Asia and Europe
- Strengthening of production structure at Fuji's factory in China (Kunshan Fuji)

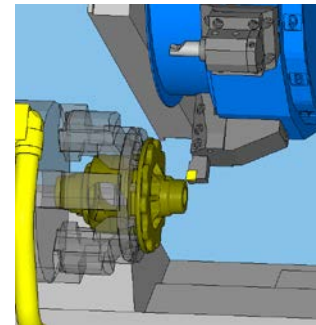
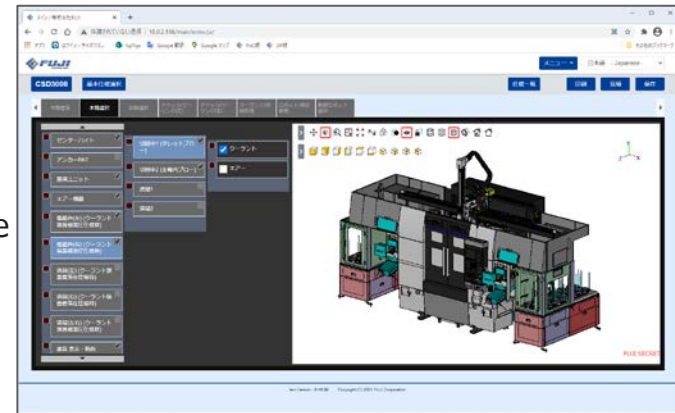
Strengthen the ability to provide solutions

Machine Tools Division

Strategy

Digital transformation

- ◆ Digital transformation of sales
 - Push for more specification reviews and quotation online
 - Accelerate business with trading companies and agents by utilizing the internet
- ◆ Digital transformation of turnkey solutions
 - Attain a higher level in process simulation through digital twin
 - Promote system simulation in a virtual space



**Expanding sales channels and markets
by employing digital tools**

Creation of next-generation business

Electronics 3D Printer

Product development with next-stage SMT in mind



Logistics automation

Contributing to the automation of logistics by combining "robot technology" with "open innovation"



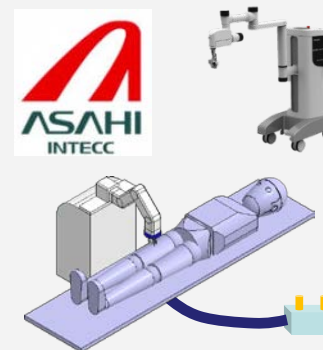
Sier support platform

e-Sys

Promoting the introduction of automation equipment for manufacturing sites

Ultrasound-guided operation system

Joint development with Asahi Intecc



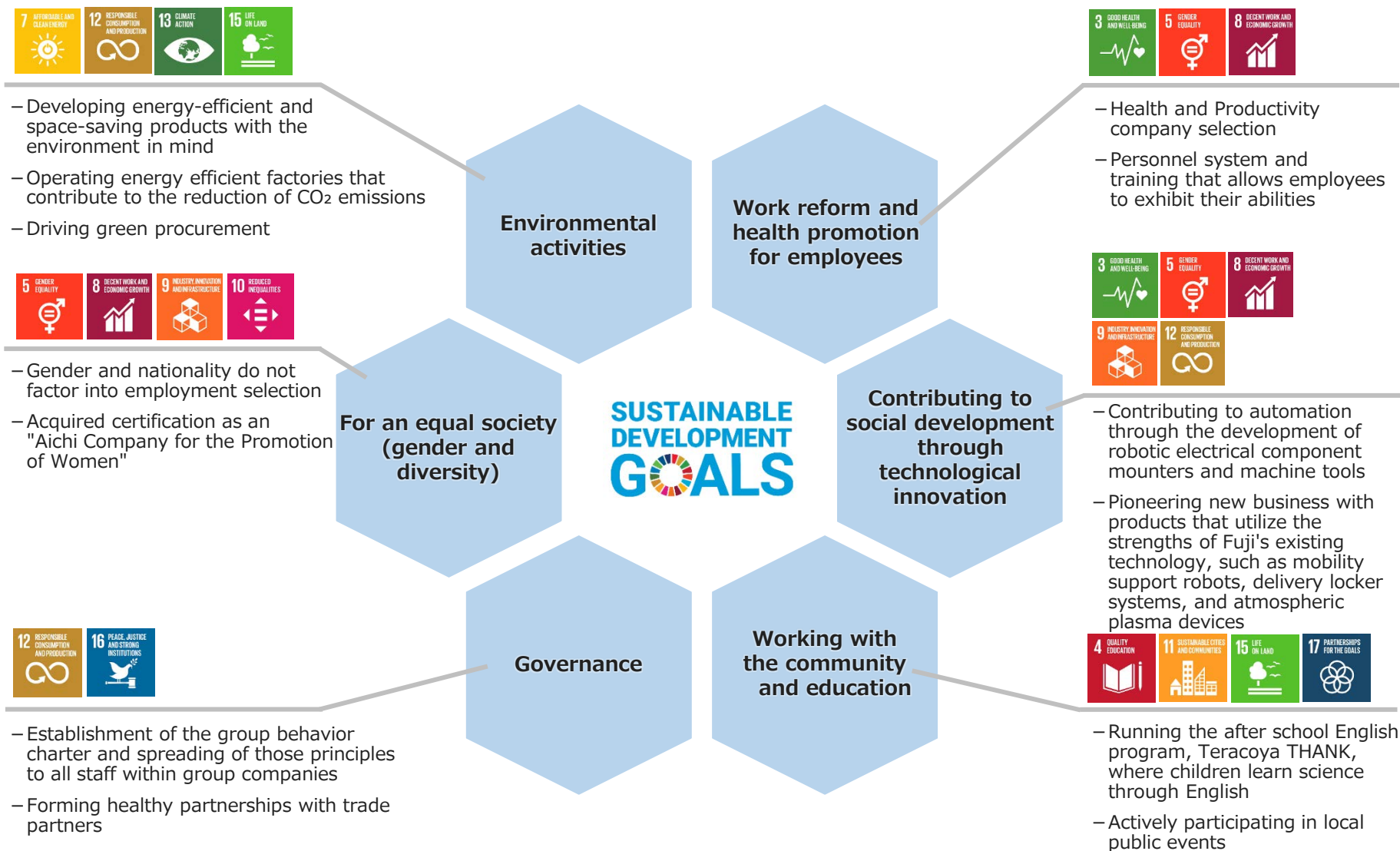
**New technology and new business
to carry Fuji a decade from now**

Capital strategy

Achieve both strategic growth investment and shareholder returns with a stable financial structure

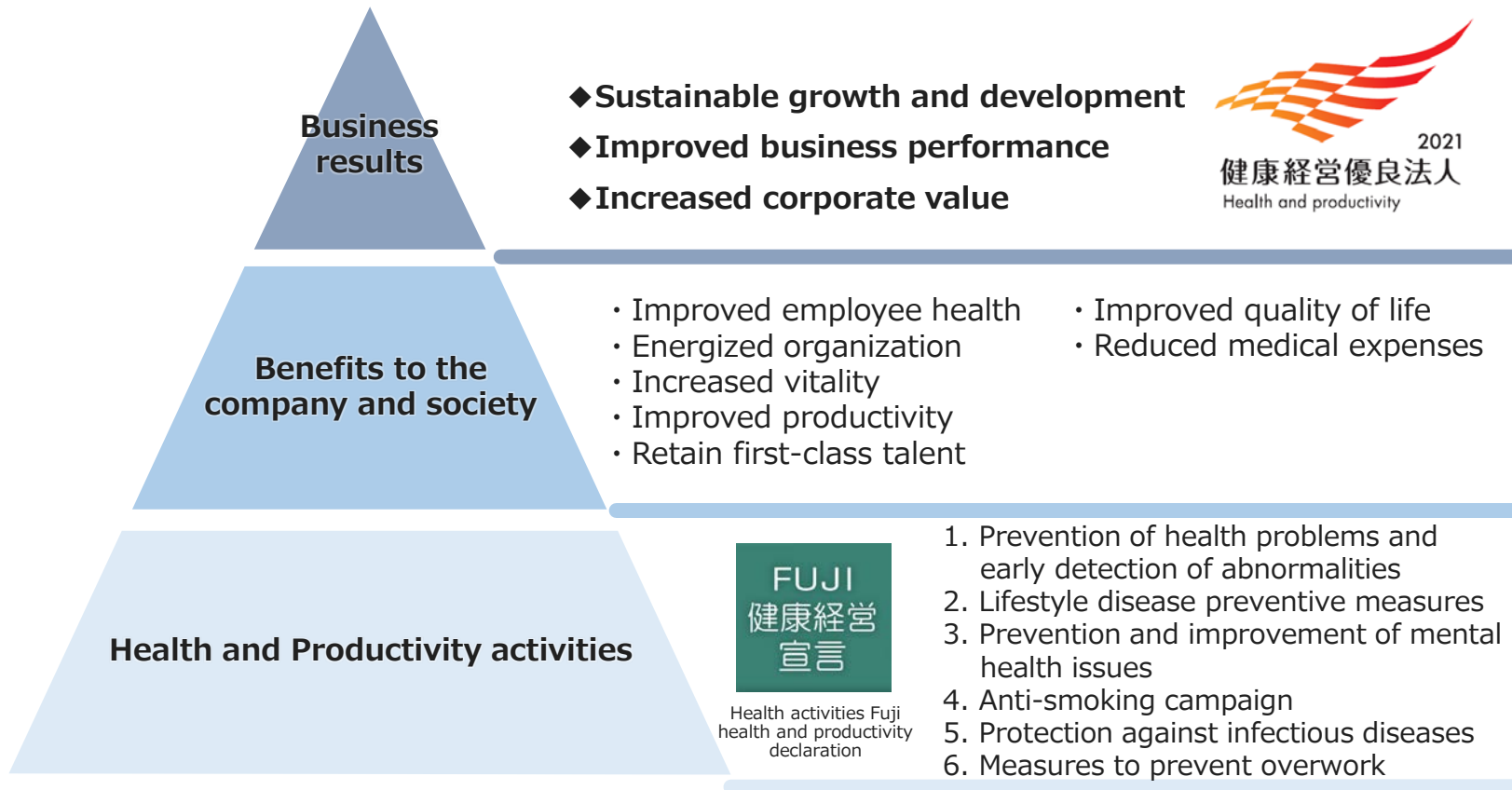


Business development in line with the SDGs



Promote health and productivity in the workplace

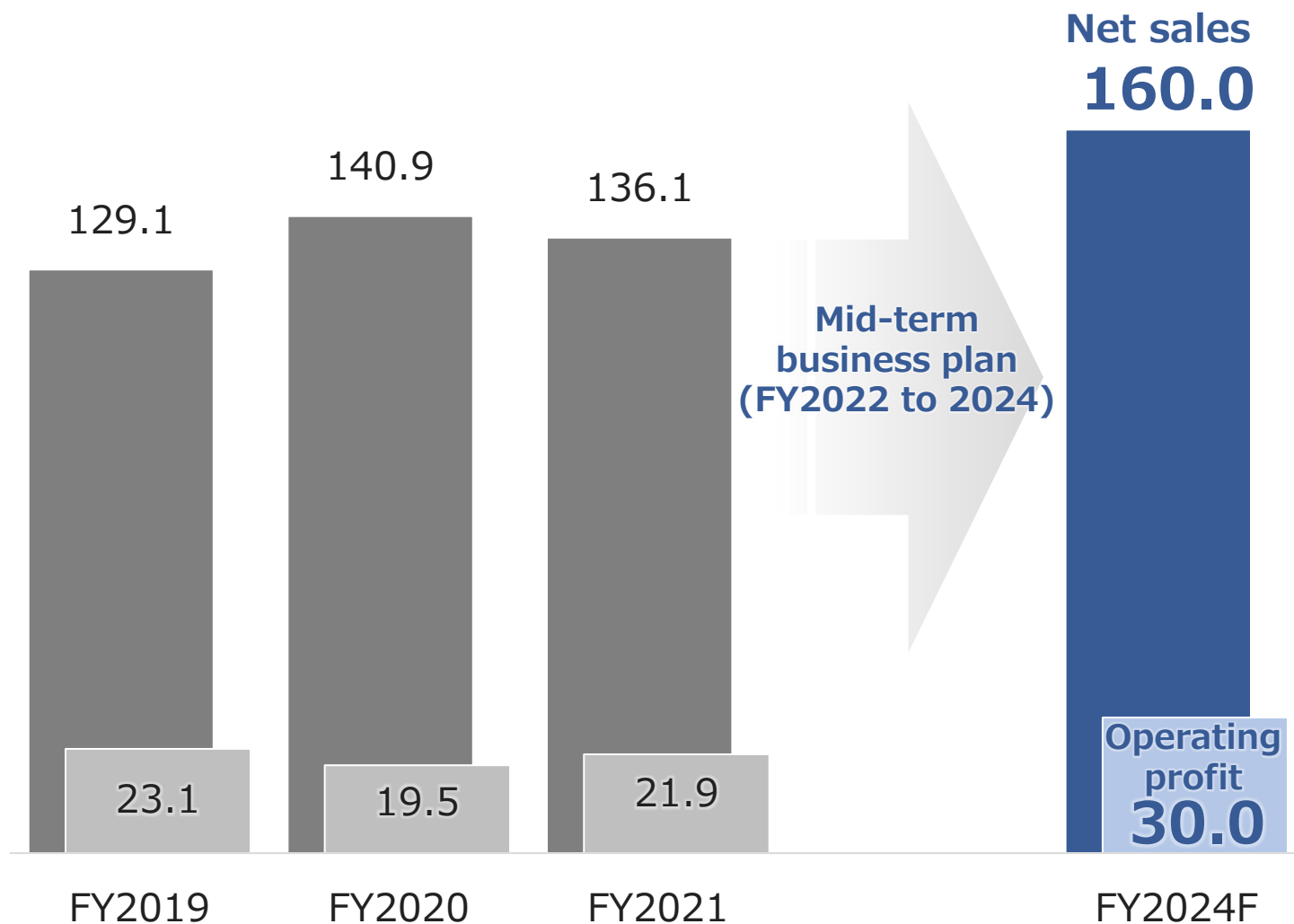
We will strive to do what it takes to be selected
as a White 500 company, Health and Productivity



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Targets

(Billion yen)



Targets by segments

(Million yen)

		FY2019	FY2020	FY2021	FY2024F
Robotic Solutions	Net sales	111,536	127,763	125,569	140,000
	Operating profit	25,017	23,353	26,307	31,000
Machine Tools	Net sales	15,660	10,839	7,866	16,000
	Operating profit	1,661	▲636	▲1,324	1,800
Others	Net sales	1,907	2,364	2,725	4,000
	Operating profit	▲88	▲0	▲3	400
Total	Net sales	129,104	140,967	136,161	160,000
	Operating profit	23,106	19,571	21,904	30,000

Targets

	FY2019	FY2020	FY2021	FY2024F
Return on equity	10.8%	9.1%	9.5%	More than 10%
Dividends per share(Yen) (Dividend payout ratio)	50 (27.1%)	50 (30.5%)	50 (27.1%)	Stable 30%
R&D investment(Billion yen)	7.9	8.8	9.0	10.0

お客様に感動を!



Excite and Inspire

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.