



Materials for

Financial Result Briefing

April 1, 2017 to September 30, 2017

FUJI MACHINE MFG. CO., LTD.

November 2017

Important note:

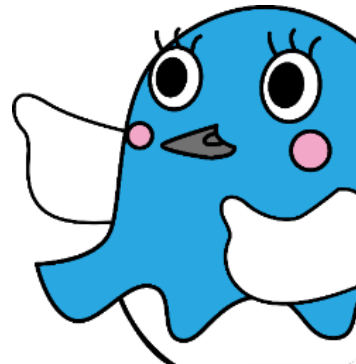
The information provided in this material is for informational purposes only. Items such as the business forecasts, revisions, and plans in this material are based on information which could be obtained under business circumstances at the current time. They are based on the judgments of Fuji management and therefore include an element of risk and uncertainty. Please understand that actual business results may differ based on changes to various factors.

Changing the company name to **FUJI CORPORATION**

Reason:

1. To establish a strong global brand
2. To widen the scope of our business based on robot technology

Scheduled change date: April 1, 2018



■ Financial Results

■ Company Profile and Strategy

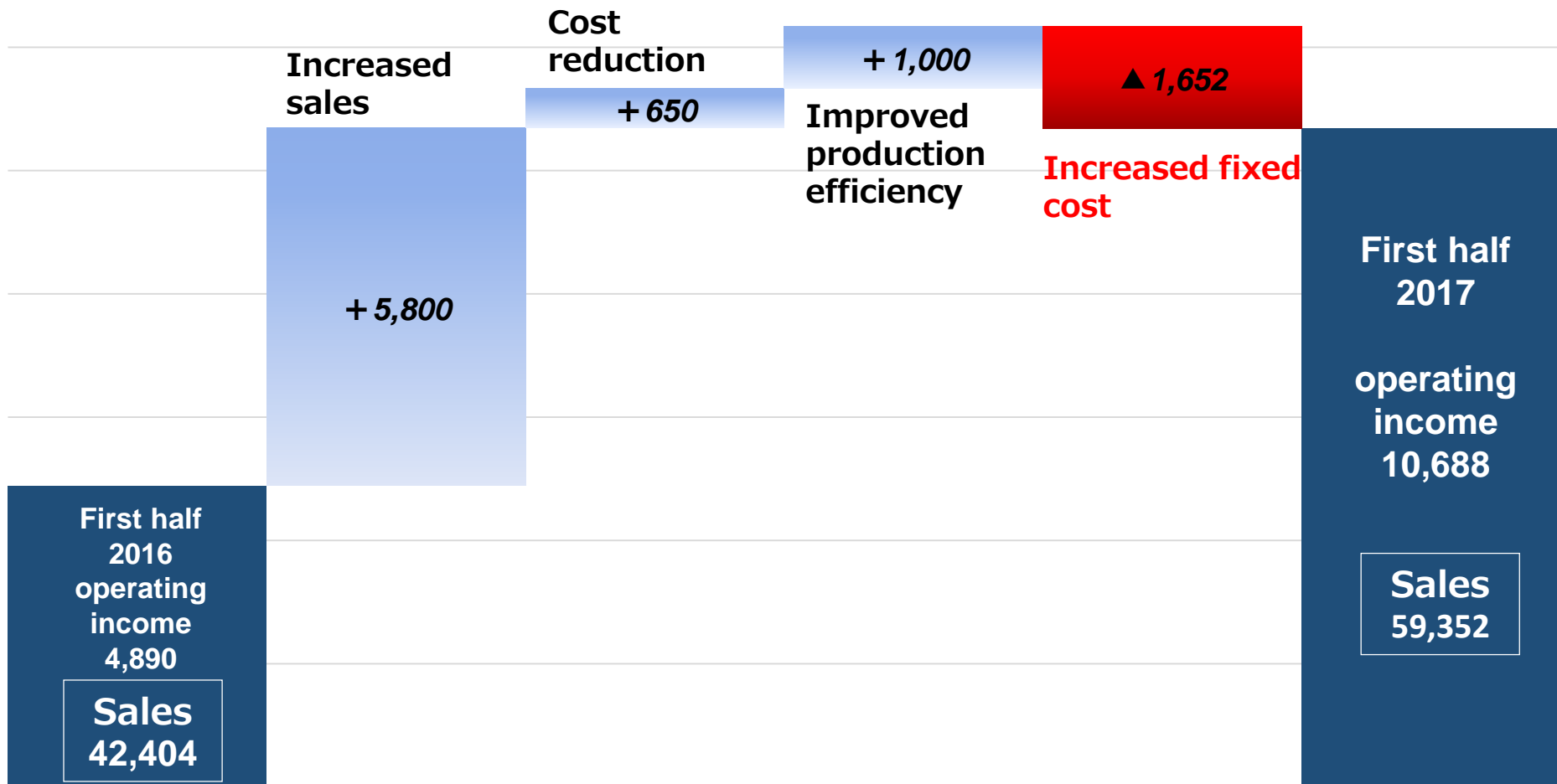
Income Statement

(Million Yen)

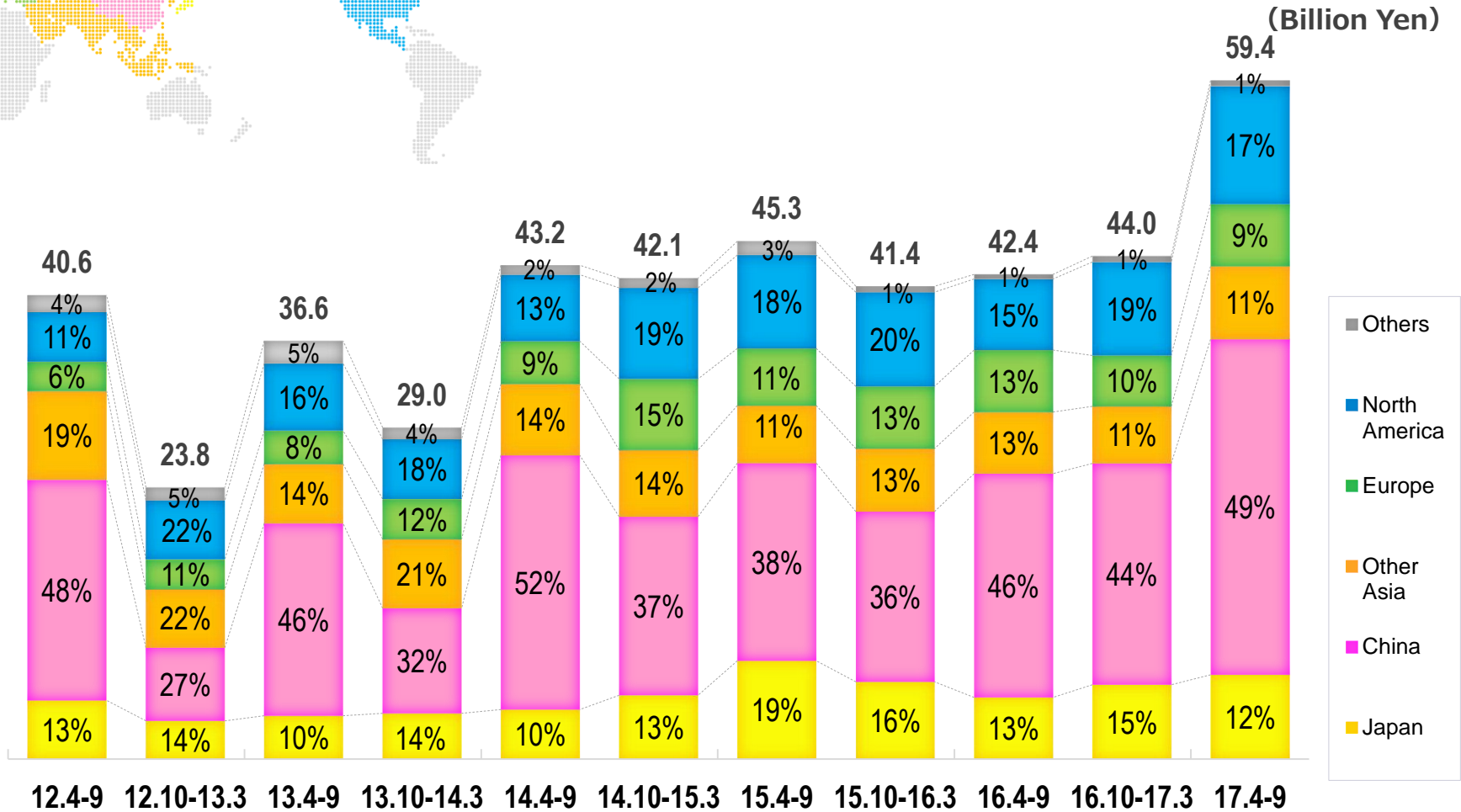
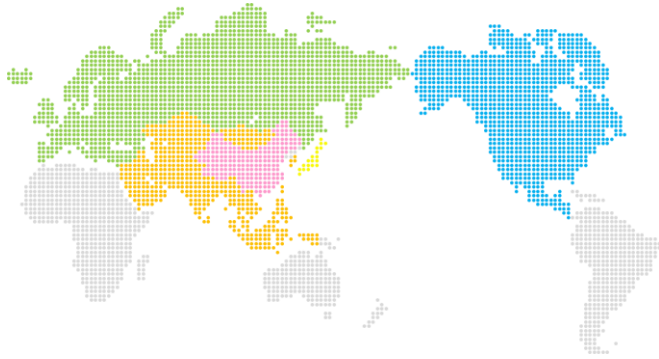
| | 16.4-9 Results | 17.4-9 Results | Change from previous year | 17.4-9 Forecast (August 10.2017) | Change from Forecast |
|-------------------------|-------------------|-------------------|------------------------------|--|-------------------------|
| Orders | 44,375 | 60,097 | +15,722 +35.4% | 56,000 | +4,097 +7.3% |
| Sales | 42,404 | 59,352 | +16,948 +39.9% | 58,000 | +1,352 +2.3% |
| Operating Income | 4,890 | 10,688 | +5,798 +118.5% | 10,300 | +388 +3.7% |
| Ordinary Income | 4,679 | 11,196 | +6,517 +139.2% | 10,600 | +596 +5.6% |
| Net Income | 3,264 | 7,884 | +4,620 +141.5% | 7,500 | +384 +5.1% |
| | | | | | (Yen) |
| Net Income per share | 34.59 | 88.14 | +53.55 | 83.85 | +4.29 |
| Dividend per share | 15.00 | 20.00 | +5.00 | - | - |

Operating Income Increase/Decrease Analysis

(Million Yen)



Sales Trend by Geographic region



Segment Statement

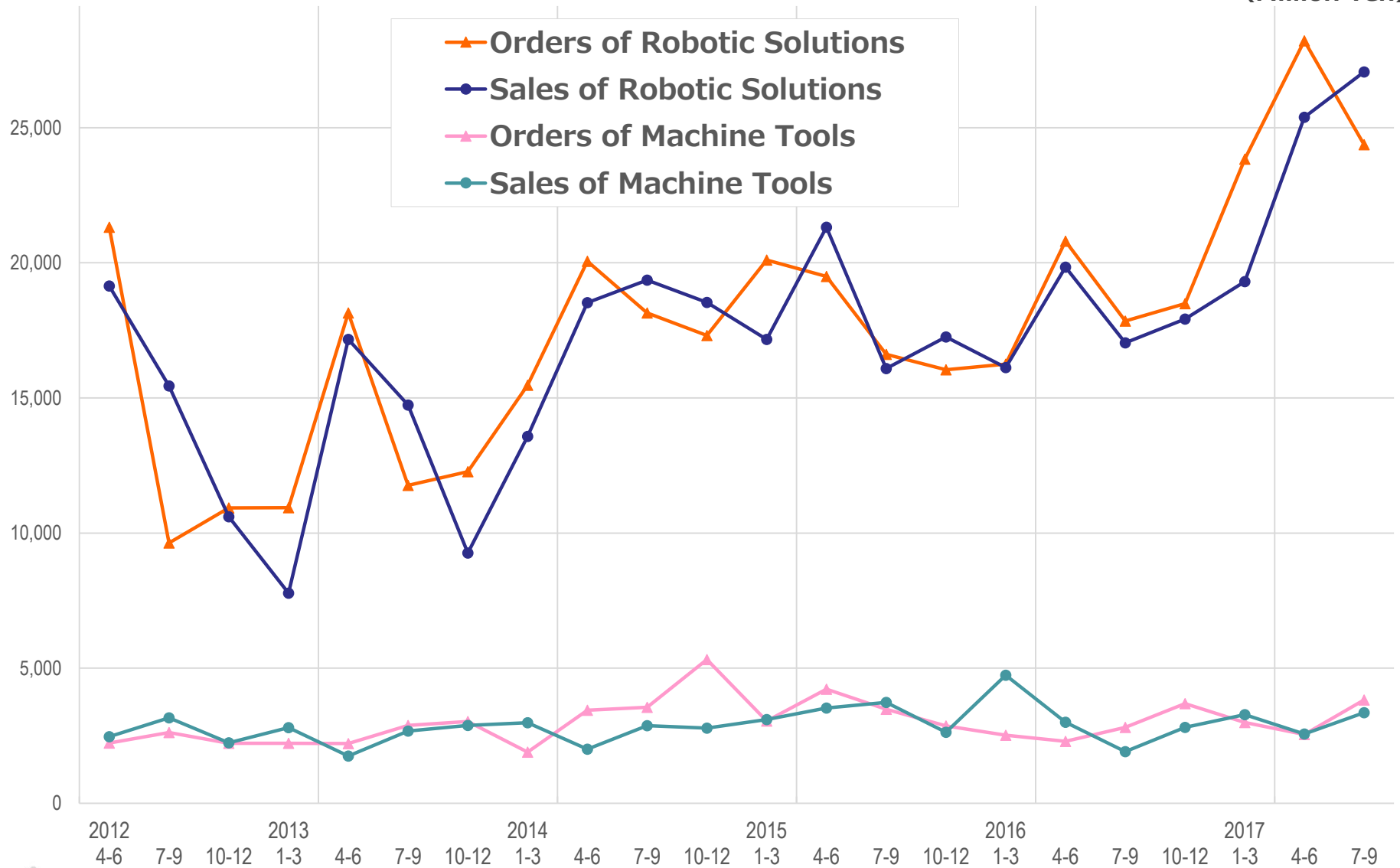
(Million Yen)

| Robotic Solutions | 16.4-9 Results | 17.4-9 Results | Change from previous year | 17.4-9 Forecast (Aug.10, 2017) | Change from Forecast |
|-------------------|----------------|----------------|---------------------------|--------------------------------|----------------------|
| Orders | 38,650 | 52,594 | + 13,944 | 49,000 | + 3,594 |
| Sales | 36,879 | 52,453 | + 15,574 | 51,000 | + 1,453 |
| Operating Income | 7,309 | 12,352 | + 5,043 | - | - |
| Order Backlog | 11,082 | 16,328 | + 5,246 | - | - |

| Machine Tools | 16.4-9 Results | 17.4-9 Results | Change from previous year | 17.4-9 Forecast (Aug.10, 2017) | Change from Forecast |
|------------------|----------------|----------------|---------------------------|--------------------------------|----------------------|
| Orders | 5,099 | 6,372 | + 1,273 | 6,000 | + 372 |
| Sales | 4,907 | 5,915 | + 1,008 | 6,000 | ▲ 85 |
| Operating Income | ▲ 416 | 53 | + 469 | - | - |
| Order Backlog | 7,067 | 8,111 | + 1,044 | - | - |

Orders and Sales Trend

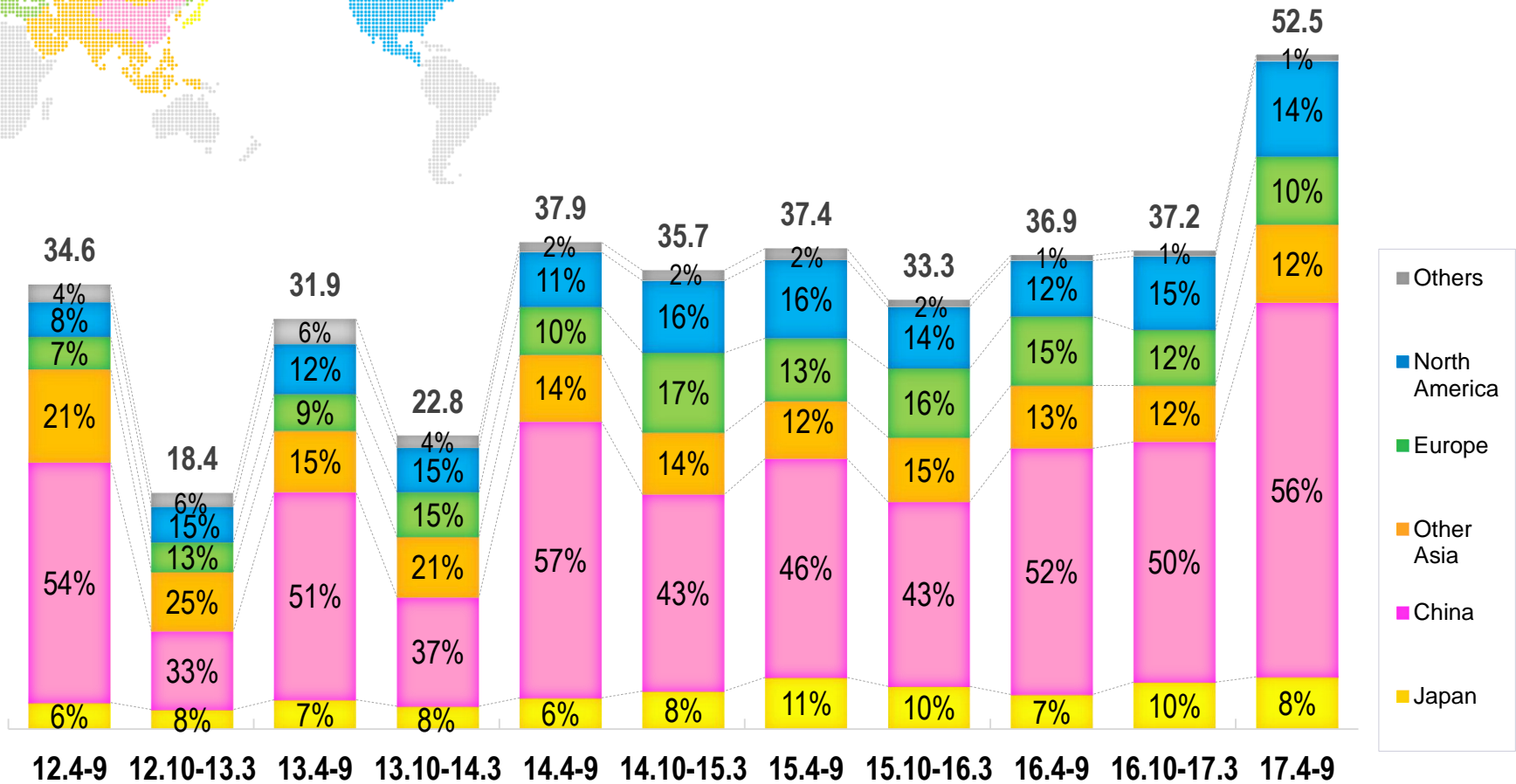
(Million Yen)



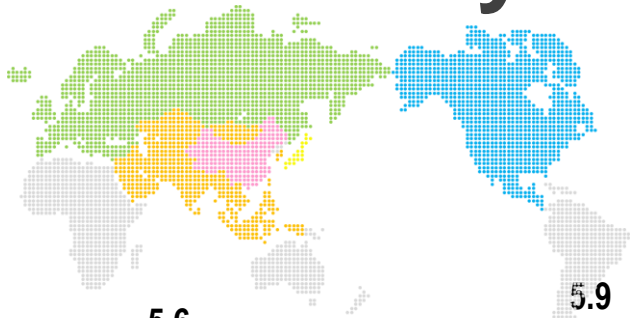
Sales Trend of Robotic Solutions by Geographic region



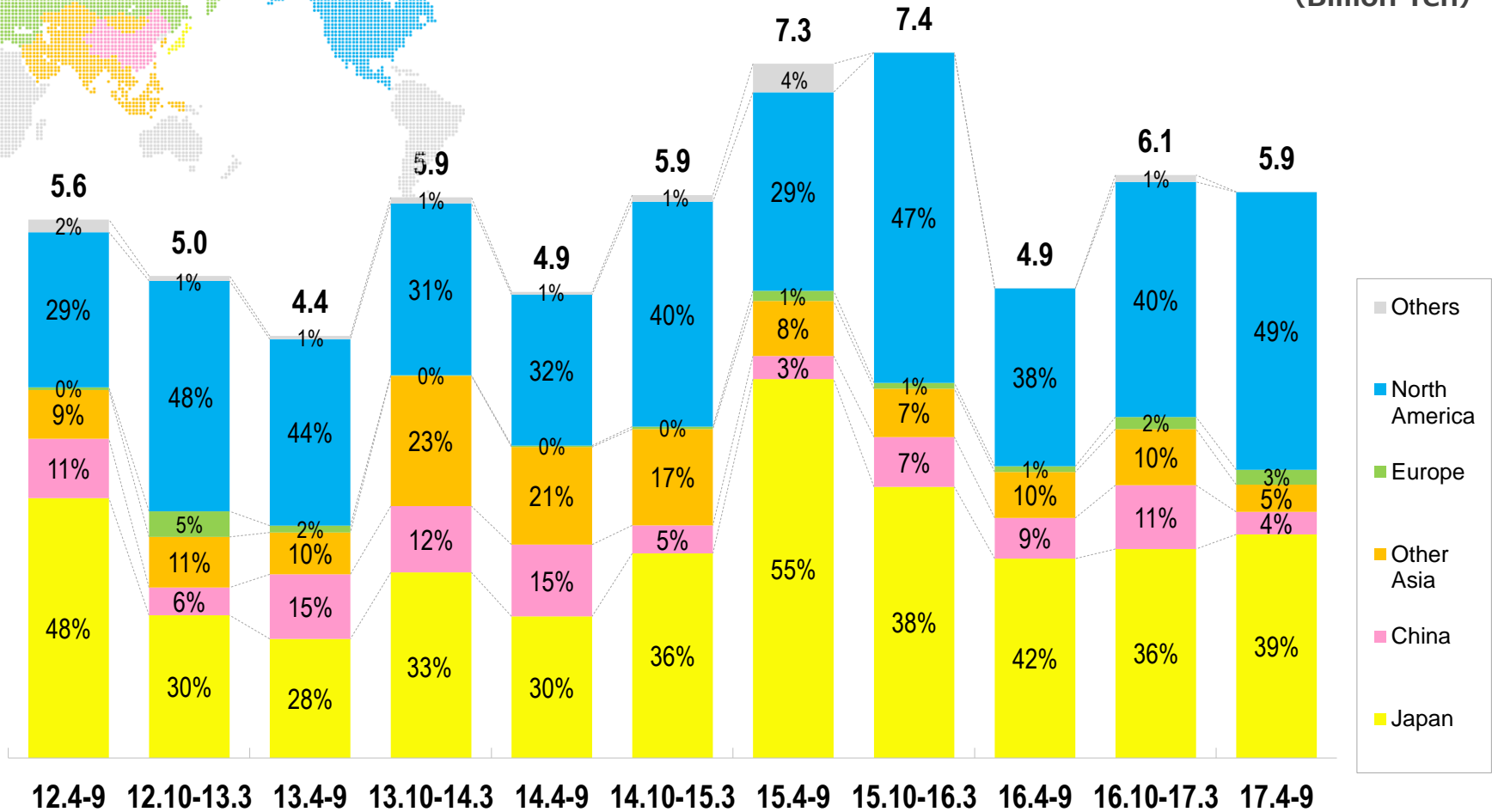
(Billion Yen)



Sales Trend of Machine Tools by Geographic region



(Billion Yen)



Sales/Earnings Estimate

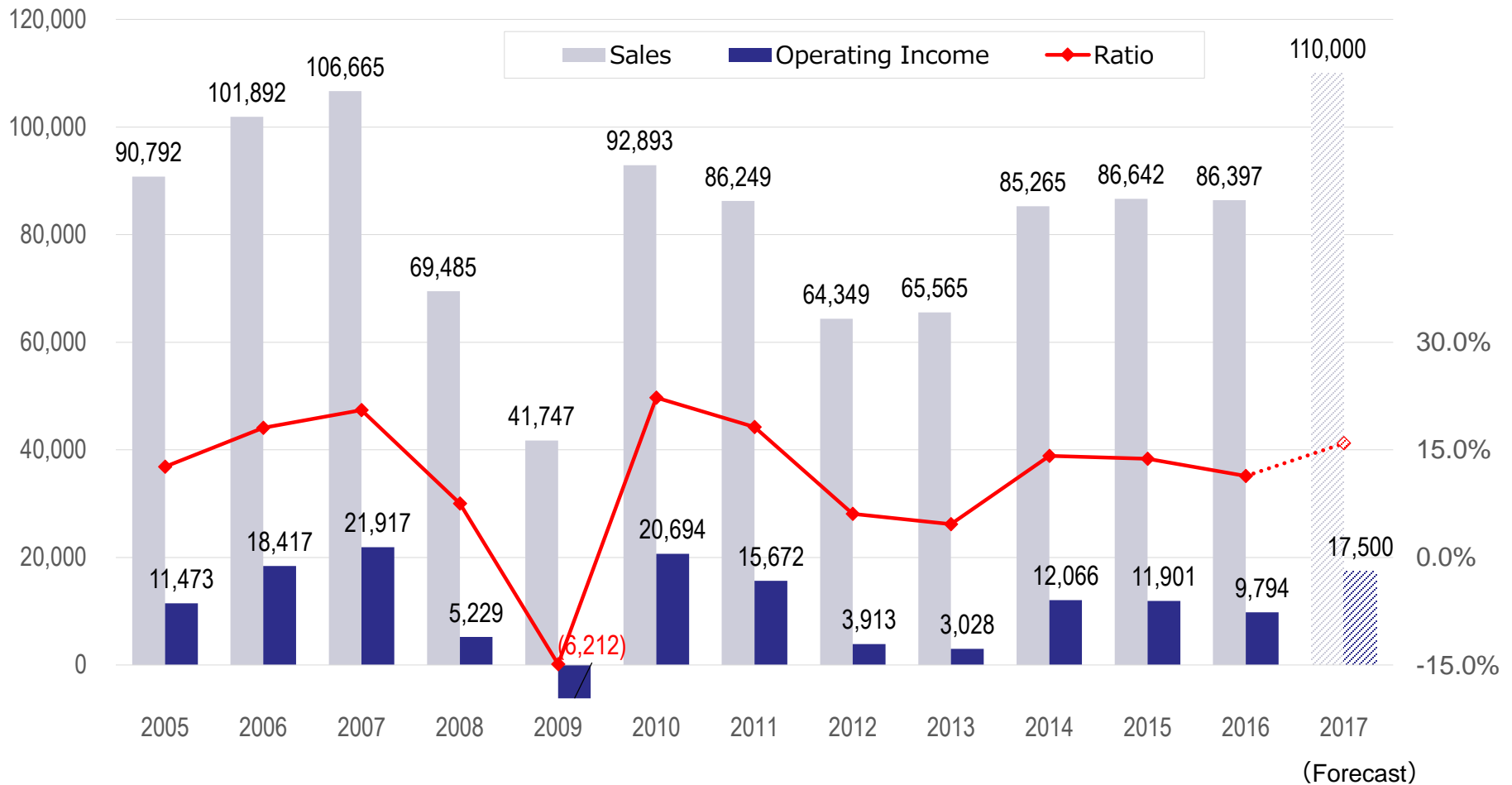
Revision of forecast which was announced on August 10, 2017.

(Million Yen)

| | 16.4-17.3 Results | 17.4-18.3 Forecast (August 10, 2017) | 17.4-18.3 Forecast (November 9, 2017) | Change from previous year | Change from revision forecast (Compare to August) |
|--------------------------------|----------------------|--|---|------------------------------|---|
| Sales | 86,397 | 104,000 | 110,000 | +23,603 | +6,000 |
| Operating Income | 9,794 | 16,100 | 17,500 | +7,706 | +1,400 |
| Rate of Operating Income | 11.3% | 15.5% | 15.9% | +4.6pt | +0.4pt |
| Ordinary Income | 10,200 | 16,600 | 18,100 | +7,900 | +1,500 |
| Net Income | 7,054 | 11,800 | 12,700 | +5,646 | +900 |
| | | | | | (Yen) |
| Net Income per share | 76.19 | 131.9 | 141.98 | +55.71 | +10.08 |
| Dividend per share | 30.00 | 40.00 | 40.00 | +10.00 | ±0 |

Sales/Operating Income Trend

(Million Yen)



Segment Information

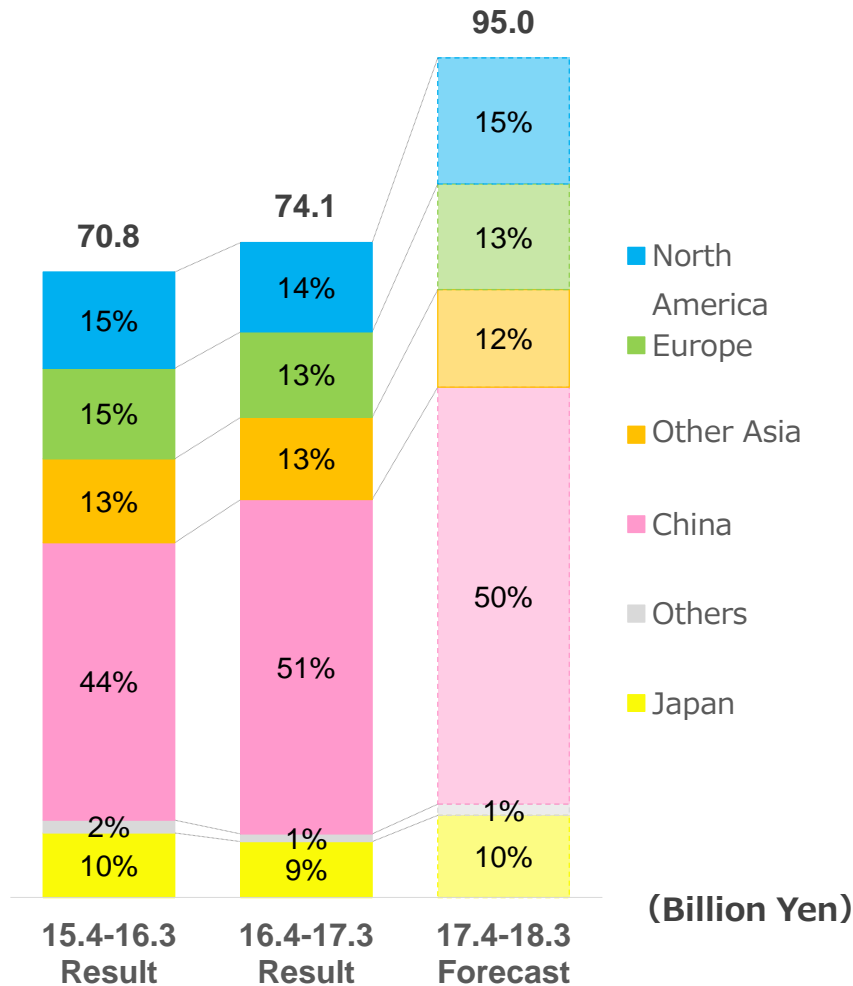
Revision of forecast which was announced on August 10, 2017.

(Million Yen)

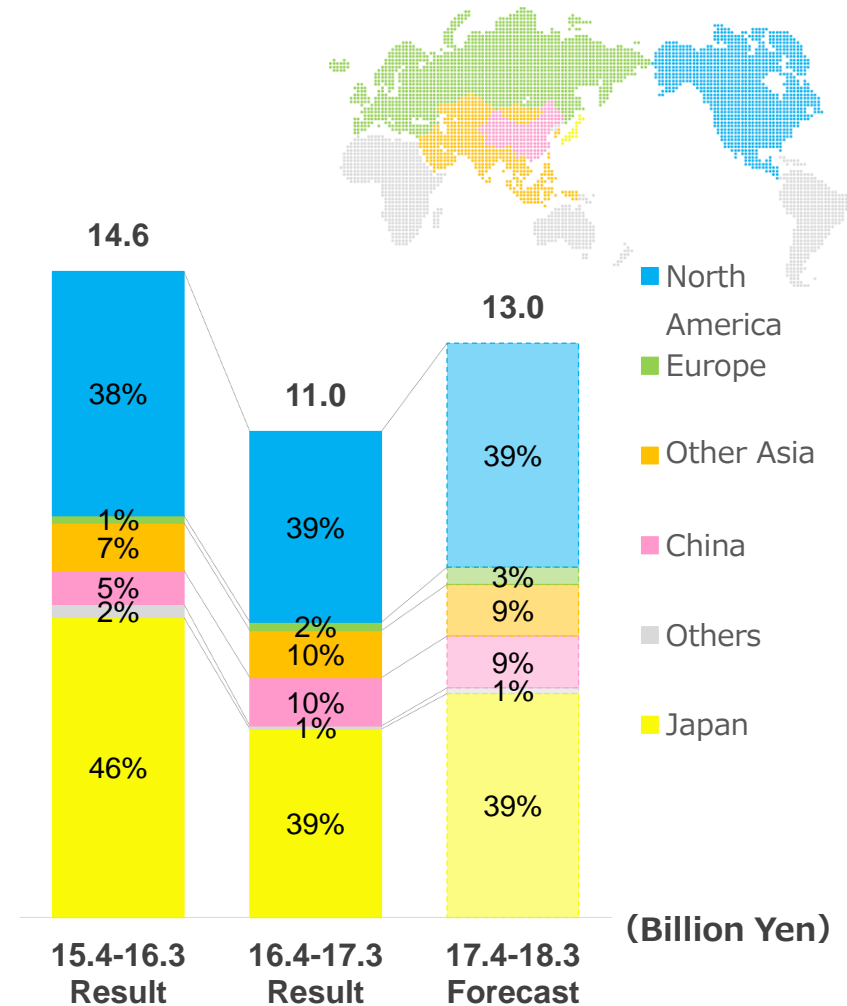
| | Orders | | | | | Sales | | | | |
|-------------------|-------------------|--|---|---------------------------|--------------------------------|-------------------|--|---|---------------------------|--------------------------------|
| | 16.4-17.3 Results | 17.4-18.3 Revision of Forecast (August 10) | 17.4-18.3 Revision of Forecast (November 9) | Change from previous year | Change from forecast of August | 16.4-17.3 Results | 17.4-18.3 Revision of Forecast (August 10) | 17.4-18.3 Revision of Forecast (November 9) | Change from previous year | Change from forecast of August |
| Robotic Solutions | 80,981 | 88,500 | 95,500 | +14,519 | +7,000 | 74,105 | 90,000 | 95,000 | +20,895 | +5,000 |
| Machine Tools | 11,776 | 12,000 | 13,000 | +1,224 | +1,000 | 10,997 | 12,000 | 13,000 | +2,003 | +1,000 |
| Others | 1,265 | 2,500 | 2,500 | +1,235 | ±0 | 1,294 | 2,000 | 2,000 | +94 | ±0 |
| Total | 94,024 | 103,000 | 111,000 | +16,976 | +8,000 | 86,397 | 104,000 | 110,000 | +23,603 | +6,000 |

Estimate of Sales by Geographic region

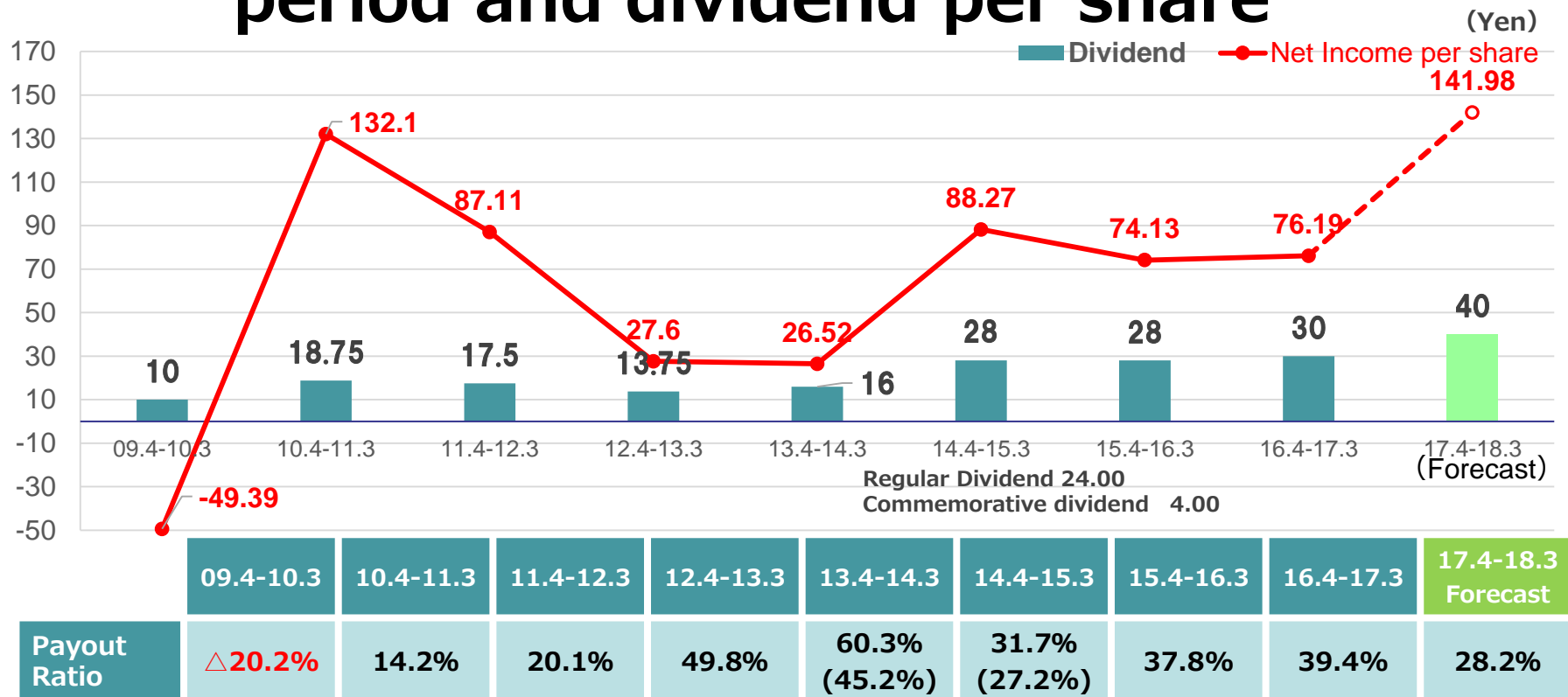
Robotic Solution



Mother Machine



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



() 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 2009 March.

The Share repurchase 8,372,922 shares were held at the end of March 2017, representing 8.56% of shares issued.

■ Financial Results

■ Company Profile and Strategy

Profile

Established: April 7, 1959

Capital: 5.878 billion yen (March 2017)

Employees: 2,117 (March 2017)

Sales: 86.4 billion yen (March 2017)

Operating profit: 9.8 billion yen (March 2017)

Ordinary profit: 10.2 billion yen (March 2017)

Total assets: 158.4 billion yen (March 2017)

Net worth ratio: 82.5% (March 2017)

Main products: Electronic component mounter robots, machine tools

First section of Tokyo Stock Exchange and Nagoya Stock exchange

International locations:

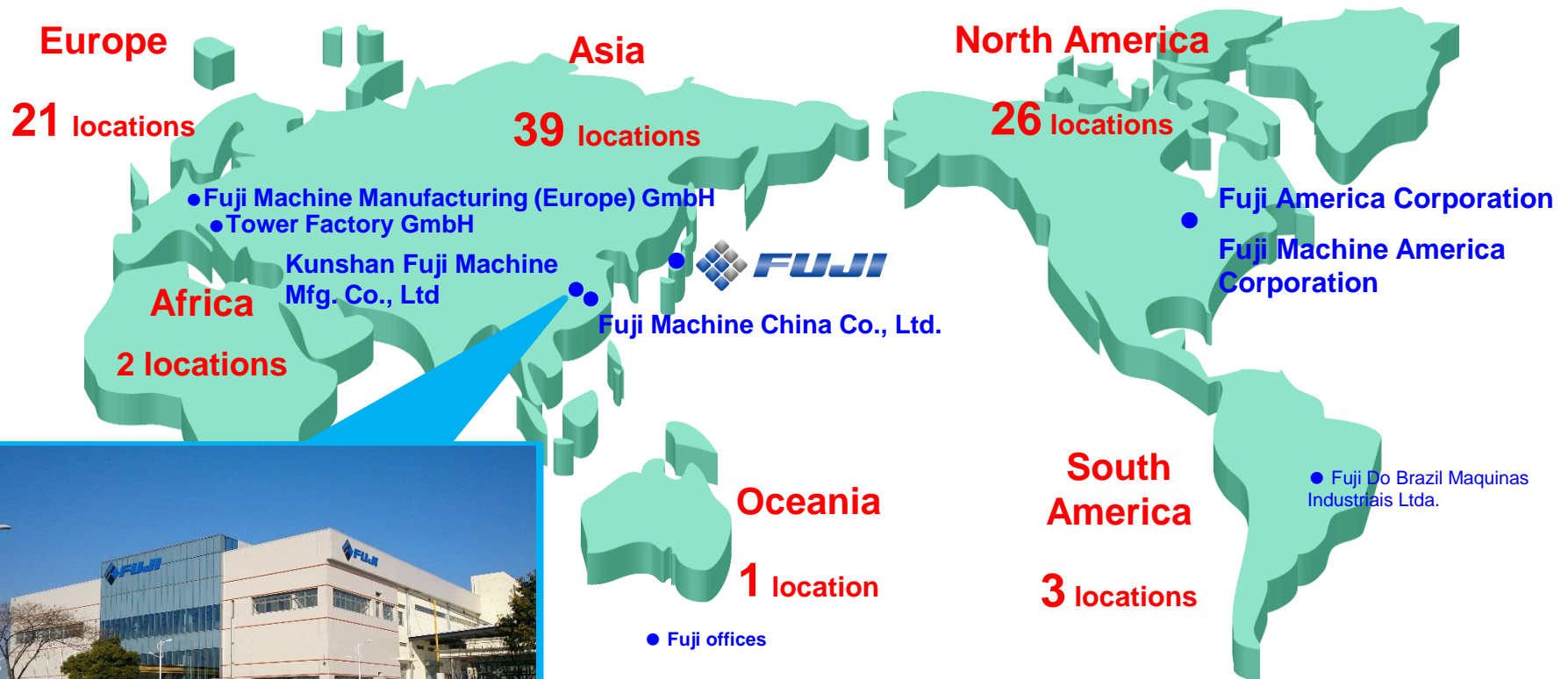
United States, Germany, China, Brazil, India, Malaysia, Vietnam, Thailand

Headquarters (Chiryu city, Aichi prefecture)



International sales and service locations

Sales and service is provided by seven core overseas subsidiaries and around 110 Fuji representative agencies operating worldwide.

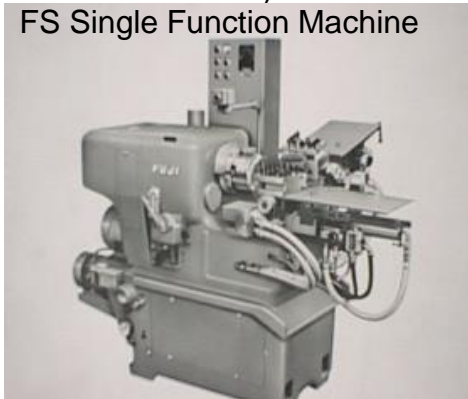


Around 880 people providing support worldwide

Company history

1959

Company established
Turning machine (single
function machine)
FS Single Function Machine



1978

Automatic electric part
insertion machine



Surface mounting
machines



Current **NXT series**

Modular type
High-speed
multipurpose placing
machine



Robotic Solutions Division

Machine Tools Division

DLFn

Innovative
Modular
Production
Equipment



Medium-term management targets (2015~2017)

Create new value and achieve 100 billion yen in sales

Robotic Solutions Division

Next Step 30

- Accelerate researching & developing next generation machine
- Enhance marketing and services

Machine Tools Division

Improvement of profitability

- Lead DLFn into flagship product
- Enhance sales and services

New Product Development

Create New Business

- Create new technologies and deepen research and development
- Create advanced robot innovation

Procurement and Manufacturing

- Reconstruct logistics of procurement and manufacturing.
- Chase higher quality, lower cost, proper delivery

Corporate Value Improvement

- Enhance organization capability
- Enforce compliance
- Innovate work style
- Design and implement IT strategy
- Enhance financial organization
- Disclose information globally



Robotic Solutions

Division Tactics

『Next Step30』 ~Stay market leader ~

Environment

Macroeconomic Trends

Japan: Economy has been picking up due to improve company's positive actions.
World: US economy has changed for the better. The economy of Europe recovered gradually. China improves the investment climate.

Robotic mounters are expected to increase in demand.

<Market size>

FYE March of 2017 Approx.220 billion yen (Every half market size is 110billion in a year)

FYE March of 2018 forecast will be expected Approx.280 billion yen (1st half 160billion, 2nd half 120billion)

<Outlook>Investment for mounters to produce electronics in every field has increased steadily.

Expanding of tie-up with other company in the market (responding to demand for total solution)

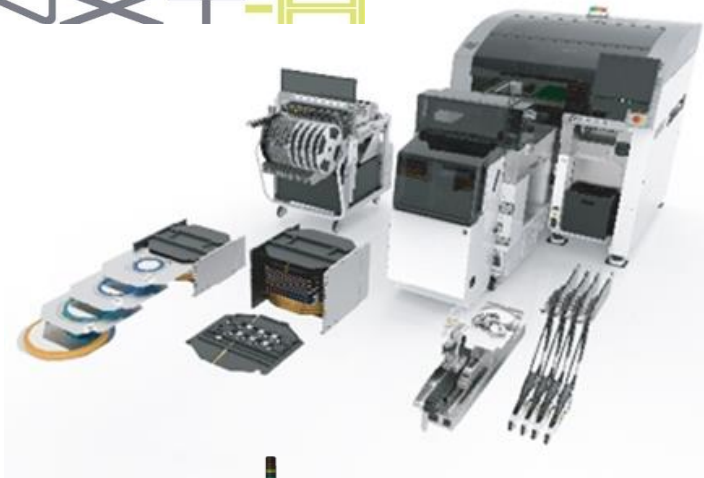
Investment for model change for smart phone has been activated

Expanding utilization of IoT system and spread of cloud solutions

More electronics in cars (for fuel efficiency, safety, infomatics)

Robotic Solutions

NXT-III



NXT III
Fuji Scalable Placement Platform



AIMEX III
AIMEX III C



Scalable placement platform



Assembly robot

Nexim



System for production processes

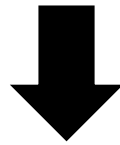
Smart FAB



New Release of FUJI Mobile App

Concept and Features

1. Whenever and wherever you can control. Our data which is gathered is to send to portable devices.
example>>Smartphone, tablet PC
2. Logon user control. The information is indicated to users in accordance with the role of users.
3. Multi platform. Not choosing the condition of hardware and OS for portable devices.



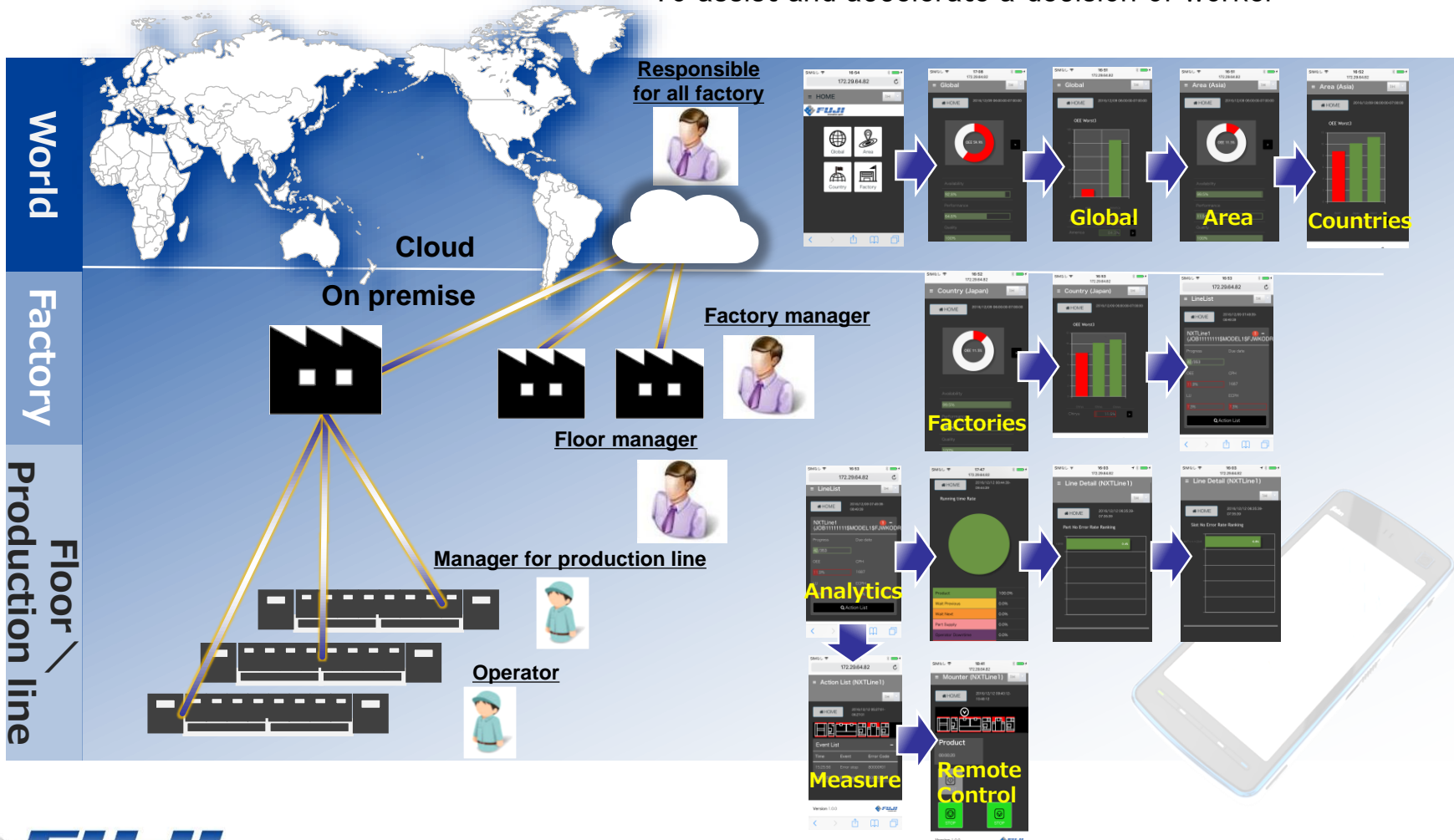
- * To improve the productivity and change workstyle of worker by using.
- * Visualization of the information related to production line, factory, global network.



Conjugation of Mobile Device

To provide information necessary for a user from wherever you stay in.

- ✓ To reform a workstyle by the usage of IT, improve productivity
- ✓ To assist and accelerate a decision of worker



Machine Tools

Division
Strategy

『Reconstruction of profit constitution』

Environment

According to the Japan Machine Tool Builders' Association's (JMTBA) forecast, Japan and world economy have a positive actions for investments, especially the demand of China is to be increased. In the whole machine tool industry, there is potential demand to invest and it will be expected to keep growing steady.

<Target>Orders of CY2017 is 1 trillion and 550 billion.

<Result>Orders of CY2016 is approx.1 trillion and 250 billion.

Division Tactics

Income improvement based on sales strategy

Sales

Emphasize developing new customer through selling DLFn
Enhance worldwide sales network-aggressive sales activities with trading company

Development

Make DLFn series effectively
Go through model change and modest change of usual production

Production

Build up substantial production line for manufacturing DLFn
Short delivery term and lead time

Machine Tools



CSD300

Front facing twin spindle lathe



TN400R

Horizontal CNC lathe

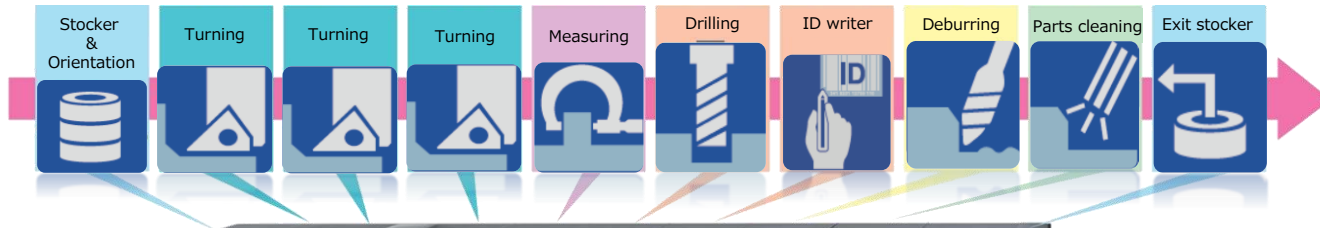


DLFN

Modular production equipment

Modular production equipment **DLFn**

Miniature factory by DLFn modules, which are invented for various type like drilling, milling, turning and so on.

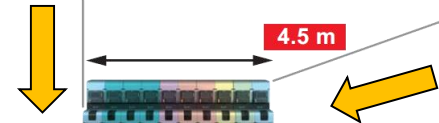
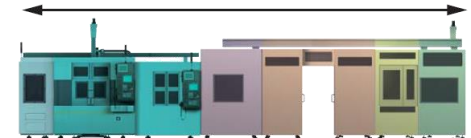


Ready for traceability service



Improved area productivity

Usual production line **11 m**



Production line by DLFn

DLFn

Robotic material handlings are equipped in DLFn



Make a production line freely by modular production system



FUJI's Innovative Robotic Technology

Smart Factory

Miniature factory



The 6th Robot Awards



High accuracy
& productivity

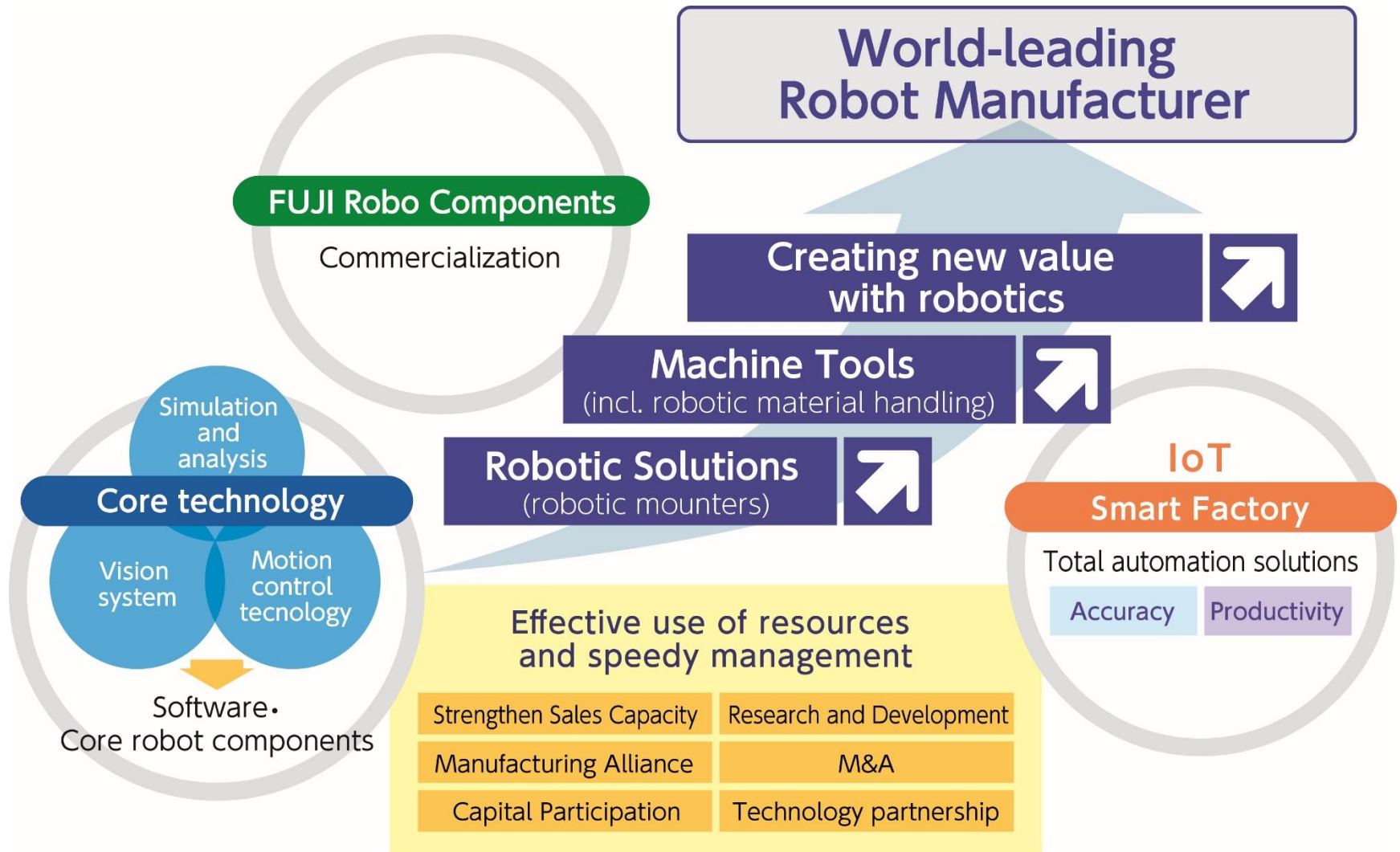
Development of innovative robotics

High accuracy
and productivity,
low impact

Establishing FUJI Innovation LABO

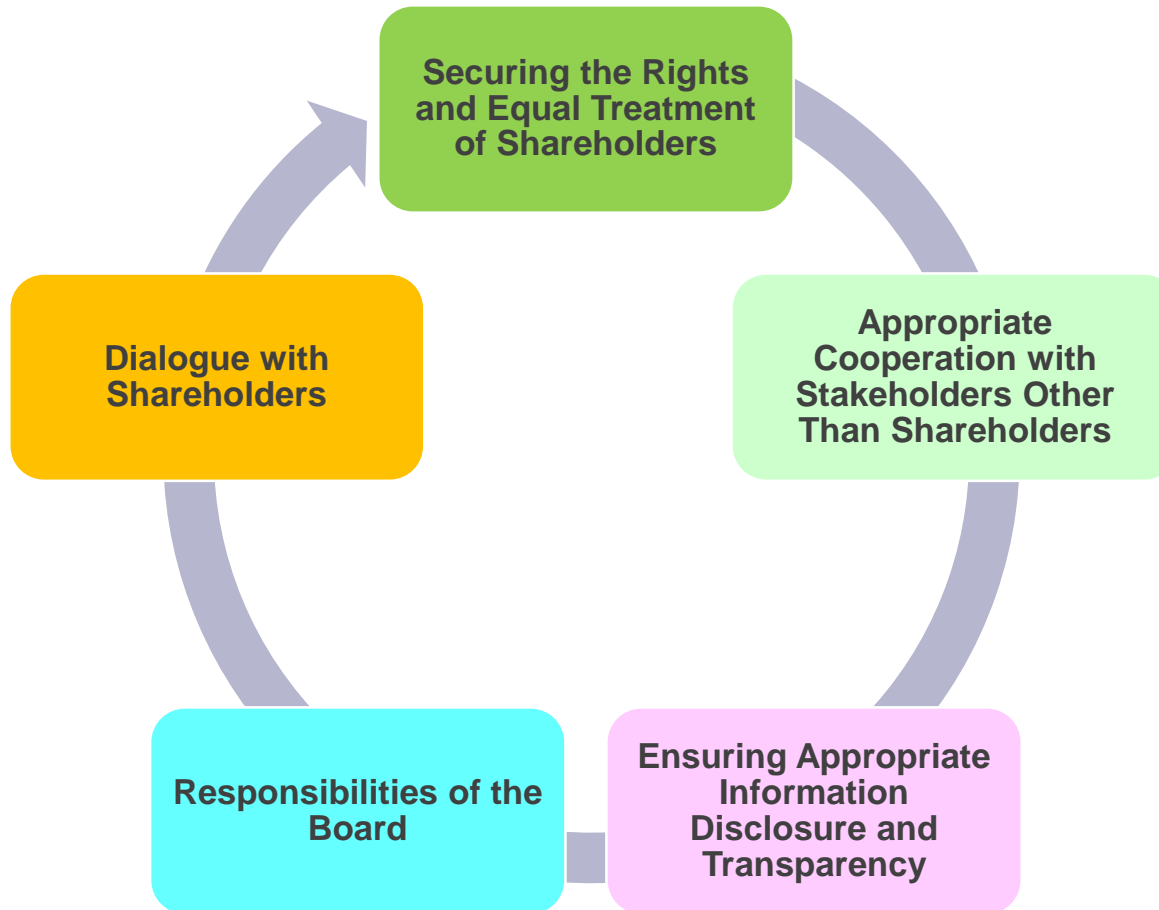
Setting Up a technology laboratory in Silicon Valley, north California USA,
as one of method for creating new technology and business

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