



# 2017

## ANNUAL REPORT

Fiscal year ended March 31, 2017

| **Business Summary** |

FUJI MACHINE MFG. CO., LTD.

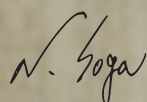
# innovative spirit

## Top Message

Pursuing continuous improvements  
in corporate value through  
swifter management

President & CEO

Nobuyuki Soga





FUJII MACHINE MFG. CO., LTD. (hereinafter referred to as the “Company”) would like to present its Annual Report for the fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017).

In the fiscal year ended March 31, 2017, the Company and its subsidiaries (hereinafter, the “Group”) achieved results largely in line with the plan. Turning to the fiscal year ending March 31, 2018, the Asia Pacific region, including China, is the most rapidly growing area, with growth expected in Southeast Asia and India in particular. Business sentiments in the resource-rich countries of Russia and Brazil show no signs of pessimism, and the economic situation in Japan and Europe is far from being unfavorable, despite a tendency toward sluggishness. The United States is expected to drive the global economy, although the effects of the Trump administration’s trade policies are unpredictable.

Recently, the world’s major developed countries have made innovation through IoT the pillar of their growth strategies. Robotics technology plays a central role in that, and is generating a new wave of development. Integrated manufacturing system Nexim, released in September 2015, will

advance information and communications technology (ICT) such as IoT and M2M in the production processes of electronic equipment manufacturers, and will make the entire production line smarter by coordinating with other companies’ devices and systems.

We position the fiscal year ending March 31, 2018 as a year for improving our technological development capabilities Company-wide, stabilizing product quality, cultivating new markets, and laying the foundation for a stronger presence, in order to take a major step forward as a robot manufacturer. It is also the final year for our medium-term management targets. We aim to further increase our market share in the Robotic Solutions business, restructure the divisions of the Machine Tools business to enhance the profit structure, and strive for market penetration of our products and further enhancement of sales capabilities in new businesses.

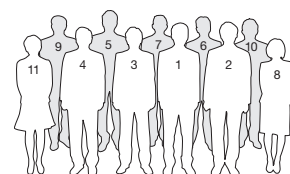
We will continue our efforts to be able to meet increasingly diverse and sophisticated customer demands, as we pursue sustainable development in harmony with society by contributing to the environment and society through our corporate activities.



## Board Members and Audit & Supervisory Board Members

- 1 President & CEO Nobuyuki Soga
- 2 Board Member Shinsuke Suhara
- 3 Board Member Seigo Kodama
- 4 Board Member Takayoshi Kawai
- 5 Board Member Mitsuji Tatsumi
- 6 Board Member Hajime Ezaki
- 7 Outside Board Member Nobuyuki Matsui
- 8 Outside Board Member Nobuko Kawai

- 9 Full-time Audit & Supervisory Board Member Shinsaku Sakagami
- 10 Outside Audit & Supervisory Board Member Shigeki Matsuda
- 11 Outside Audit & Supervisory Board Member Kayoko Yamashita



## Consolidated Financial Highlights

### The Point

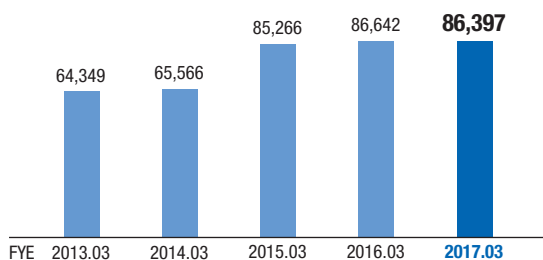
#### Net Sales

Net sales decreased by ¥200 million overall from the previous fiscal year.

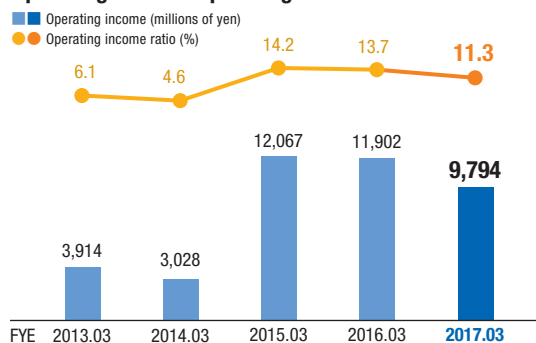
#### Operating Income

Operating income decreased by ¥2,100 million due to a drop in sales prices and an increase in fixed cost.

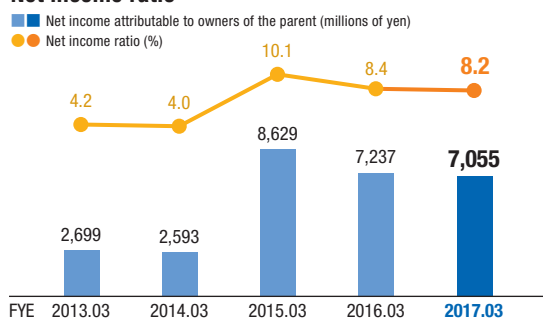
#### Net sales (millions of yen)



#### Operating income/Operating income ratio

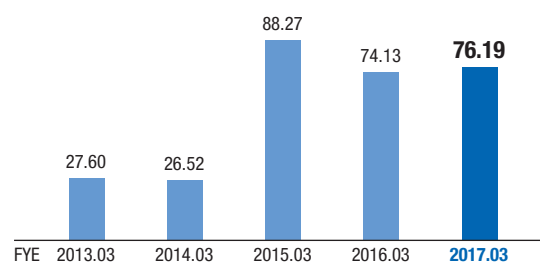


#### Net income attributable to owners of the parent Net income ratio

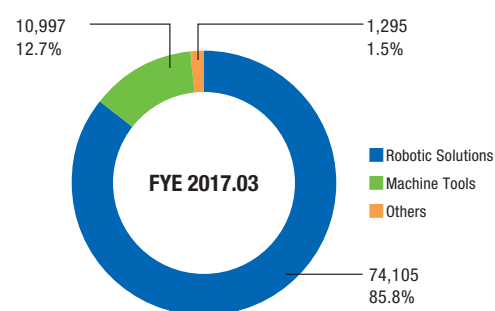


#### Net income per share (yen)

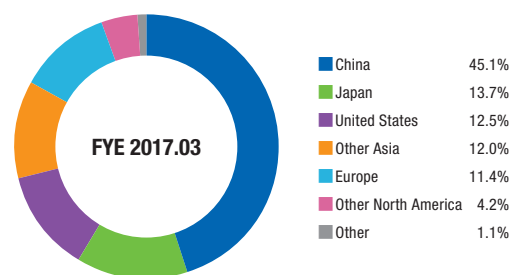
Notes: As of January 1, 2013, a 2-for-1 split of common stock was carried out. Net income per share is calculated on the assumption that the relevant stock split was carried out at the beginning of the fiscal year ended March 31, 2013.



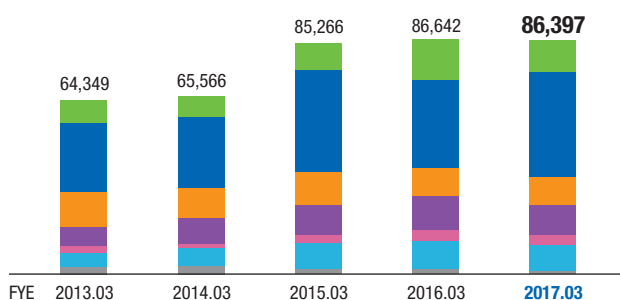
#### Net sales by segment (millions of yen)



#### Net sales ratio by geographic region



#### Net sales by geographic region (millions of yen)



	2013.03	2014.03	2015.03	2016.03	2017.03
Japan	8,467	7,770	9,903	15,337	11,877
China	25,711	26,010	37,856	32,166	38,947
Other Asia	12,904	11,271	12,083	10,559	10,378
United States	7,060	9,368	11,100	12,383	10,791
Other North America	2,451	1,731	2,695	4,042	3,606
Europe	5,134	6,428	9,954	10,438	9,871
Other	2,622	2,988	1,675	1,717	927



## To continue embracing the challenge of creating new value as a robot manufacturer

President & CEO

**Nobuyuki  
Soga**



Board Member & CTO

**Shinsuke  
Suhara**



Robotics technology plays a central role in the creation of a prosperous society in our contemporary world, which is undergoing dramatic changes including the rapid development of IoT. We spoke to the CEO and CTO about historical transitions at FUJI, which has constantly challenged technological innovation and reform, and future policies in light of industrial trends.

**Next year, FUJI will mark the 60th year since its founding. Please tell us about the DNA that has been passed down at FUJI throughout the years.**

**Soga** The product that laid the cornerstone of FUJI was a single function FS machine tool created by our founder, Mamoru Sakagami, himself. That product embodied the creed typical of technicians, which is to respond to the demands and confidence of customers by providing excellent techniques through untiring research and development. That creed has been carried on steadily to this day, as the original starting point of FUJI.

**Suhara** When I first joined the Company, my boss told me “We make the world’s best products by using FUJI’s own methods, not by imitating others.” I’ve been very serious about product development ever since, incorporating new and original methods, guided by that belief.

**Soga** I think that attitude is also connected to the idea expressed in our current corporate slogan, “Excite and Inspire.” It’s the idea that we want to keep providing customers with revolutionary products that offer not only outstanding performance, but surprise and excitement as well.

**Suhara** In order to achieve this, collaboration with the Company’s senior management is essential, but there were times when conversations got heated and opinions clashed.

**NXT III, one of FUJI’s current leading products, supports manufacturing around the world, but I’ve been told that the NXT series was born from a completely different concept than traditional robotic mounters. Where did this unconventional idea come from?**

**Soga** There was a sense of crisis that young people weren’t able to produce new products, and that became a huge source of energy for development.

**Suhara** We threw away all our traditional product concepts, and started thinking again from scratch. If your thoughts are not fully developed, you tend to lean toward the structure of existing products. So first, we came up with ideas from radically different angles, incorporated them into designs, and built them. By fusing various

ideas and opinions, and putting them together with our in-house component technology of the time, we were able to bring a product to completion. Furthermore, by applying the NXT concept to product development of machine tools, we were able to overturn conventional notions and succeeded in developing the DLFn modular production equipment that increased productivity per unit of floor space.

**I’d like to ask about FUJI’s plans with regard to trying to develop industry-first or world-first products, taking into account the technological trends currently surrounding the industry.**

**Soga** I feel that it has become important to offer products with added value by using cloud solutions in which IoT and AI are key elements.

**Suhara** The Industry 4.0 trend that originated in Germany has started to have an impact on the industrial robotics sector. In contrast to previous production, which was mainly low-mix/high-volume, the demand now is for flexible production lines that can provide products in a timely manner according to diversified customer needs. In order to achieve autonomous and optimized production lines, at FUJI we are realizing smart factories, centered on the integrated manufacturing system Nexim, where machines communicate with each other and make it possible to execute optimized production programs. It has also become possible to monitor the situation inside factories from off site, and to build virtual factories that can run simulations of activities that are planned for the facility, so that problems that may arise can be identified and dealt with in advance.

**Soga** What will be required in order to create new added value in the future are the links among companies across national borders. Moreover, FUJI is eagerly promoting new open innovation through business and capital partnership with various companies, carrying out M&A involving complementary technologies, and setting up an information-gathering organization in Silicon Valley. We strive to further expand our business domains by actively investing management resources toward deep cultivation of FUJI’s own technologies and in open innovation.



Senior Managing Executive Officer,  
Robotic Solutions Div. General Manager

**Shinsuke Suhara**

## Contribute towards evolution of electronics through world's finest technology

We aim to further increase our market share during the fiscal year ending March 31, 2018. On the development front, we will accelerate development of next generation of strategic models and offer the stable quality of existing models. For the integrated manufacturing system Nexim, which will be a key system at smart factories for realizing IoT, we will strengthen coordination with other companies. In terms of sales, we aim to cultivate markets by winning new customers, and to provide services that increase customer satisfaction. As for production, we will build flexible production systems, further increase production quality, and promote IoT within factories.

Going forward, as a leading company in the industry, we will strive to carry out technological development that produces industry-firsts and world-firsts, and to continue providing the industry's highest quality products.

### Market environment for the fiscal year ended March 31, 2017

- Market environment revitalized mainly due to demands for smartphones and other portable devices and automotive-related products
- Server and network-related demand grew due to spread of IoT and big data

### Achievements in fiscal year ended March 31, 2017

- Full-fledged market launch of NXT-H, which enables small chip mounting and semiconductor mounting
- Release of AIMEX III (latest in the AIMEX series), which can support large panels and simultaneously produce two models
- Growth in sales to China's top domestic smartphone brand
- New showroom established in Thailand to enhance sales and service system in Southeast Asia

### Product features/strengths

- 1 Maximized area productivity through original compact modular design
- 2 Exchangeable units allow for flexible response to changes in line composition and maintenance without line stoppage.

### Main customers

Electronic equipment manufacturers, electronic equipment contract manufacturers, and manufacturers of automotive-related products, etc.

### Robotic moulder

NXT-III

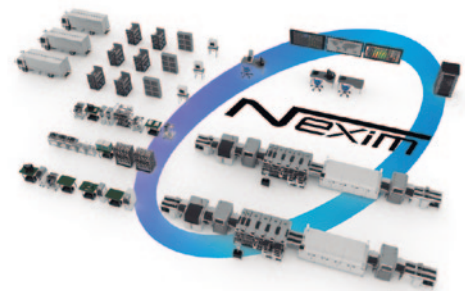


### Multi-purpose assembly equipment

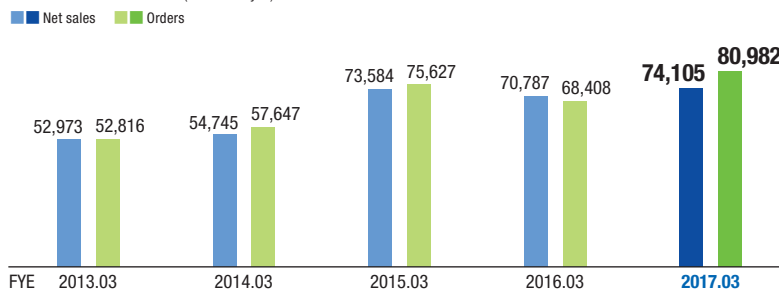
SmartFAB



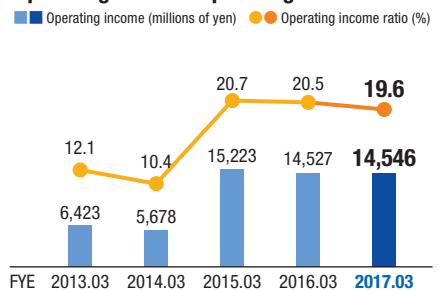
### Integrated manufacturing system



### Net sales/Orders (millions of yen)



### Operating income/Operating income ratio





Managing Executive Officer,  
Machine Tools Div. General Manager,  
Fujioka Factory Manager

**Takayoshi Kawai**

## Support global manufacturing through advanced technological capabilities

We will restructure our business divisions with a view to strengthening our profit structure during the fiscal year ending March 31, 2018. In terms of development, we aim to enhance product competitiveness by upgrading our leading products, and implementing quality improvements and thorough cost reductions for our DLFn modular production equipment (hereinafter, "DLFn"). With regard to sales, we seek to expand and strengthen our overseas sales network mainly in China and Southeast Asia, while also focusing on winning new customers. On the production front, we will improve production efficiency, shorten lead times, and standardize operations.

Going forward, our employees will work as one to provide the best solutions to meet the various needs of our customers.

### Market environment for the fiscal year ended March 31, 2017

- North America saw a lull in capital investment, while China showed signs of deceleration.
- Capital investment demand decreased both domestically and overseas.

### Achievements in fiscal year ended March 31, 2017

- Full-fledged production began for DLFn lathe modules.
- We promoted labor-saving and shortened lead time of production lines for the above equipment.
- Multiple processing made possible by consolidation of DLFn drilling and milling modules.

### Product features/strengths

- 1 Combined lathes equipped with high-output live tools are optimal for automation of production lines
- 2 Exchangeable units allow for flexible response to changes in line composition and maintenance without line stoppage.

**Main customers** .....  
Automotive parts manufacturers, bearings manufacturers, etc.

#### Horizontal CNC lathe

**TN SERIES**



#### Front facing twin spindle lathe

**CS SERIES**

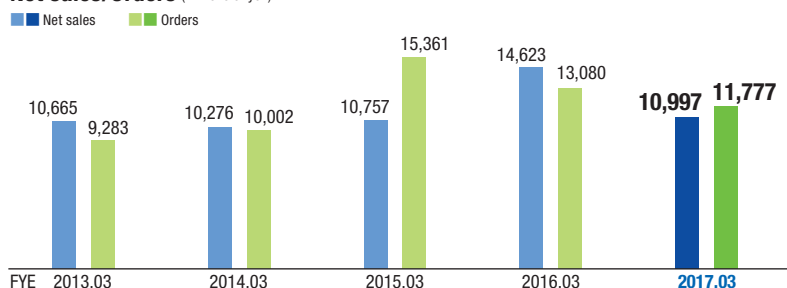


#### Modular production equipment

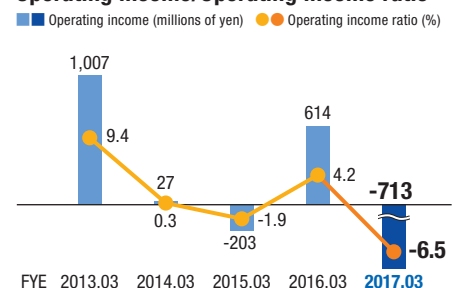
**DLFn**



### Net sales/Orders (millions of yen)



### Operating income/Operating income ratio





Managing Executive Officer,  
Development Center Head

**Seigo Kodama**

## Advance into new fields through developed robotics technology

Achievements during the fiscal year ended March 31, 2017 included the official commencement of sales of the public stocker system Quist, the mobility support robot Hug, and Robo Components, which commercializes FUJI's elemental technologies. In the fiscal year ending March 31, 2018, we will steadily carry out market launches for various products for the purpose of setting new businesses on track. We are also planning the official sales launch of the compact articulated robot, SmartWing. In addition, we plan to establish the FUJI Innovation LABO in Silicon Valley, in northern California, in the U.S., as one way of taking in diverse perspectives with the aim of generating new technologies and new businesses. We will broaden the scope of new innovation by discovering themes, ideas, and partners that can collaborate with FUJI's core technologies.



### Compact articulated robot "SmartWing"

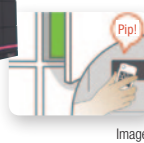
One of the characteristics of the compact articulated robot is its slim structure, which enables a condensed arrangement that has not been possible up until now. Multiple robots can be linked to automate various processes without having to teach them. Furthermore, we aim to establish innovative systems that achieve vertical startup and mass customization in automated factories.

### Mobility support robot "Hug"

It assists movements to and from a sitting position such as from a bed to a wheelchair or from a wheelchair to the toilet, as well as in maintaining a standing position in the changing room. The robot uses the leg strength of the person receiving care while supporting movement by providing minimal assistance.



### Public stocker system "Quist"



We are involved in establishing a new shopping system in which groceries or daily necessities ordered through online supermarkets or other shopping sites are received in an exclusive box. We are focusing on developing a system that will reduce the burden of day-to-day shopping and support the daily lives of busy people.

### Ultra high density atmospheric pressure plasma device "Tough Plasma"

A device that breaks down and removes contaminants at the molecular level without the use of water or organic solvents, and makes plasma exposure possible even for heat-sensitive materials such as rubber and resin. Realizing a high electron density more than 200 times higher than regular atmospheric pressure plasma (according to FUJI's research data), it is used to improve the adhesive strength of polypropylene and other hard-to-bond materials.



## Intellectual Property Strategy

### Bolstering intellectual property strategy through open innovation

FUJI has always actively pursued joint research with universities engaged in cutting-edge research, and this has led to the development of new businesses and technological innovation. For example, we have been conducting joint research and development on artificial intelligence (AI) with a leading university for over a decade. We have used the results of this research in our products through applications in image processing technology, and have also obtained patents. With regard to atmospheric pressure plasma, we have introduced technology from a university that is conducting cutting-edge research. We then combined it with our own technological capabilities with a view to commercialization. We are now creating a patent network for technologies that was developed in-house. As for IoT, we clarify "things" and "what we want to do" in each business area, collaborate with sensor manufacturers and cloud vendors to build prototypes, and promote commodification. We are striving to get a head start on building patent networks in these fields as well. We diligently pursue our studies day by day in the belief that preparing a stock of core intellectual property in order to promote open innovation will help generate true innovation.

## Growth Strategy

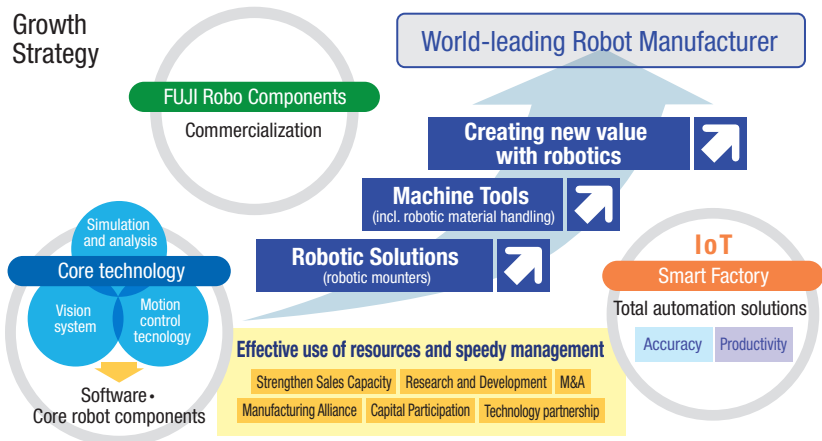


Executive Officer,  
Marketing and Strategic Planning Dept.  
General Manager

**Hajime Ezaki**

## Implement robotic strategies to improve corporate value

The key elements for our growth strategy are wide-ranging business alliances not limited by industrial borders, and deep cultivation of robotics technology. In the belief that measures such as M&A and technological partnerships are one way of acquiring new technologies and supplementing our own technologies, we take a positive attitude toward such initiatives, considering them to be an effective option. In the fiscal year ended March 31, 2017, we acquired Tower-Factory GmbH, based in Germany, and will pursue expansion of our smart factory-related product lineup by strengthening automation of parts supply logistics for the surface mounting line that our Robotic Solutions business is working on. As for products related to nursing care robots, we will complete our roadmap quickly with the aim of enhancing our product lineup and expanding sales. Furthermore, in an effort to deploy FUJI's robotics technology in new areas, we have established a capital business partnership with Asahi Intecc Co., Ltd. and begun joint development of next-generation medical devices in the field of catheter interventions. We will create a sustainable growth strategy by accurately capturing market needs and providing new value.



## Capital Strategy



Executive Officer,  
Accounting Dept. General Manager

**Mitsuji Tatsumi**

## Maintaining stable dividends and flexible capital policy

The Company aims to maximize corporate value by continuing its high levels of research and development and capital investment to maintain the competitiveness of its products through provision of advanced technologies to customers, and by aggressively pursuing strategic investments in new fields with an eye to future growth. Additionally, from the perspective of enhancing shareholder value, we view working to improve capital efficiency and continually returning profit to shareholders as our most important management policies. While our main business is susceptible to economic fluctuations worldwide and major shifts in our performance are unavoidable, we will endeavor to maintain stable dividends to the extent possible amid such an environment. We also consider the acquisition of treasury stock to be an effective measure for improving capital efficiency, and hence acquired treasury stock of a total value of ¥10,000 million in the fiscal year ended March 31, 2017. We continue to position the acquisition of treasury stock as a capital policy option, and will consider appropriate and flexible implementation, taking into account factors such as our performance and trends in the stock market.

# We will continue to contribute to the creation of a prosperous society by promoting manufacturing that recognizes ESG.

As a manufacturing company, the Group has established a corporate philosophy based on the Company motto, "We will endeavor to work hard in research and development to provide excellent techniques to respond to customer confidence."

The Group approaches its day-to-day corporate activities based on strong bonds with shareholders, customers, business partners, employees, and local communities. As one of the world's leading robot manufacturers, the Group will constantly create new value and markets including robotic mounters as industrial robots and machine tools equipped with robotic transfer systems. Through these corporate activities, the Group will fulfill its corporate social responsibility with an eye toward sustainable development together with society.



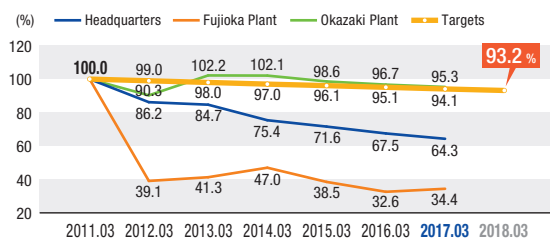
### Basic Environmental Plan

Positioning environmental preservation activities as an important management issue, we pursue such activities Company-wide in order to leave a rich and beautiful natural environment for the next generation. We consider the environment in carrying out our business activities, recognizing that preservation of the global environment is one of the most important issues shared by humanity.

### Five-Year Environmental Control Plan (fiscal year ended March 31, 2017 to fiscal year ending March 31, 2021)

Activities	Targets for the fiscal year ending March 31, 2018
Measures to prevent global warming	Awareness-raising and promotion related to improving production efficiency and energy-saving activities
	Reduction of energy consumption rate by 1% (compared to fiscal year ended March 31, 2017)
Promotion of resource recycling	Awareness-raising and promotion related to resource-saving activities
	Reduce amount of landfill waste material by 43% (compared to fiscal year ended March 31, 2016)
Measures for products	Develop environmentally friendly (energy-saving, space-saving) products

### Trend of energy consumption rate (In the case, the rate of FYE 2011 is for 100%)

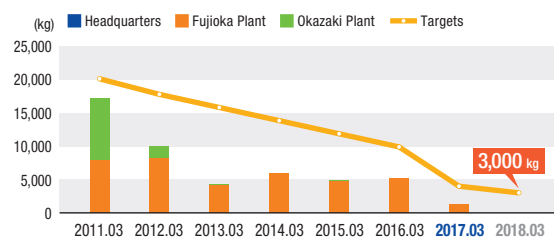


### Energy efficient factories

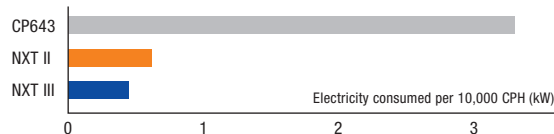
Air conditioning powered by geothermal energy (earth tubes) was introduced, resulting in significant energy savings. Earth tubes is a technique for supplying heating and cooling to the air in a building from tubes buried in the ground. This reduces the load on air conditioning and energy consumption. In addition to reducing air conditioning costs, CO<sub>2</sub> emissions are reduced, which contributes to preserving the environment. (Fujioka factory).



### Amount of landfill waste material



### Developing low energy products



The graph to the left shows the amount of consumed electricity required to achieve 10,000 CPH (placement count for electronic parts per hour). In comparison with the NXT II, an older machine, the NXT III can produce the same volume using 74% of the electricity. Compare to the CP643, a machine of previous series, the NXT III can produce the same volume using 12% of the electricity.



In continuing our corporate activities, we will aim for development in harmony with our stakeholders as a member of society.

Community

As a member of the local community, we will engage in various activities with the aim of being the “FUJI that is known and loved by everyone in the community.”

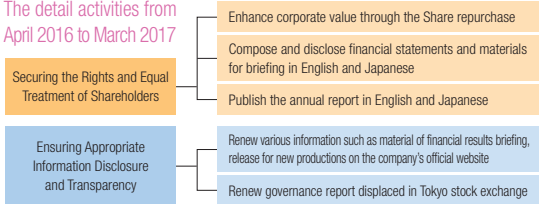
Opening of “THANK” complex facility

We strive to further revitalize the local community through the joint establishment of “teracoya THANK,” where elementary school students are taught real-life English through science experiments and hands-on activities, and “thirty nine café,” which is open to people of all ages.

IR

We make efforts to distribute profits appropriately and to disclose information in an appropriate, fair and timely manner in order to build long-term, stable relationships with our shareholders and investors.

The detail activities from April 2016 to March 2017



Work environment

At FUJI, we maintain and enhance the working environment in an effort to create a vibrant workplace where employees can work with energy and enthusiasm.

Initiatives related to diversity

We have enhanced our system to support various working styles and to enable employees to do their job as well as handle childcare and nursing care, through initiatives including childcare leave, reduced work hours for childcare, nursing care leave, a reduced work hour system, and a system of days off for nursing care. In addition, we have put in place a system of volunteer vacation days for employees who engage in social contribution activities. We are also striving actively to help employees maintain a work-life balance by setting each Friday as a Company-wide no-overtime day.

Initiatives related to occupational health and safety

We have established a health and safety committee that regularly patrols our workplaces and actively promotes improvement measures for offices as well as for manufacturing sites in an effort to prevent workplace accidents. We have also set up a system for interviews with an industrial physician and a consultation helpline related to mental health and harassment in order to support the physical and mental health of employees.

Initiatives for human resources development

At FUJI, we support an attitude of continual willingness to take on any challenge, and we therefore strive to provide training for both young and mid-career employees. We hold the Sokai Juku training course for technical employees who are in their first year with the Company. Employees take the course before they are assigned to a division and, through the process of acquiring knowledge outside their area of specialization and developing a robot, they feel the pain that goes into creation as well as the sense of achievement of developing something, as part of their experience before starting work. Leadership training where employees learn skills such as how to lead an organization and smooth communication methods is also part of our efforts to enhance educational opportunities within the Company.



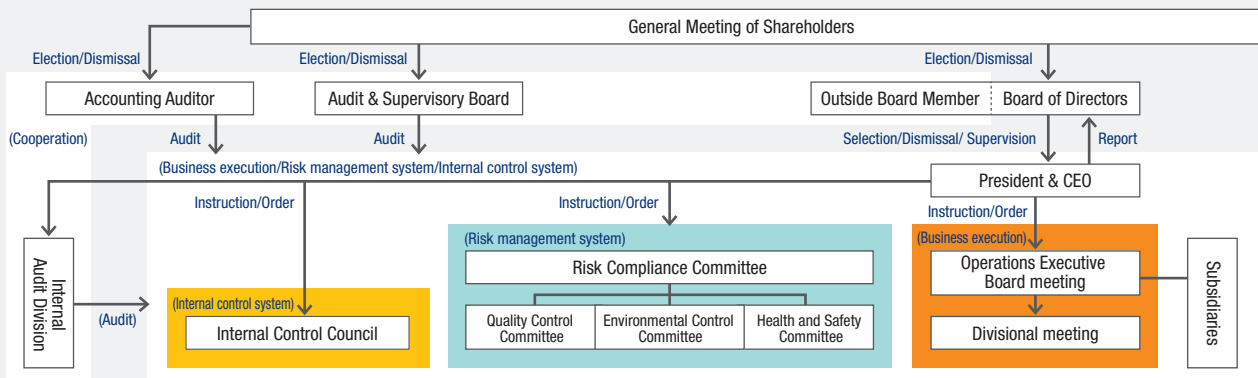
Basic Concept

The Group views working to create higher corporate value for shareholders, customers, business partners, and employees to be the most important issue. Accordingly, the Group is working to establish and enhance fair and transparent management systems and its organizational structure that can respond to changes in the management environment promptly and accurately, and to strengthen its risk and compliance system.

Corporate Governance System (as of June 29, 2017)

- Number of Board Members: 8 (including 2 Outside Board Members)
- Number of Audit & Supervisory Board Members: 3 (including 2 Outside Audit & Supervisory Board Members)
- Number of Independent Directors/Auditors: 4
- Number of Board of Directors' meetings held in a year: 13
- Term of office of Board Members: 1 year
- Adoption of an executive officer system: Yes
- Number of Executive Officers: 11

Composition of Corporate Governance System



Messages from Outside Board Members and Audit & Supervisory Board Members



Outside Board Member  
Nobuyuki Matsui

The Company has clearly indicated its corporate vision based on its corporate slogan, "Excite and Inspire," and is currently pushing ahead with its medium-term management plan while ensuring that the five basic management philosophy and seven codes of conduct are thoroughly understood within the Company. At the Board of Directors' meetings, the current management situation is reviewed in detail and energetic discussions are held on topics such as new businesses and the progress of operational reforms, including workstyle reforms, with the responsible managers sometimes taking part, thus ensuring a shared awareness of management goals. I have served as an Outside Board Member since 2010, and am committed to doing my utmost for the Company's operational development, primarily from the perspective of management of technology (MOT) and introduction of new technology.

**Career summary**  
 2004 President, Nagoya Institute of Technology  
 2010 Outside Board Member of the Company (To present)  
 2012 Part-time Specially Appointed Professor to the Chairman of the Board of Trustees, Chubu University  
 2014 Outside Director, Rinnai Corporation (To present)  
 2015 Outside Director, Aichi Tokei Denki Co., Ltd. (To present)



Outside Board Member  
Nobuko Kawai

I assumed the post of Outside Board Member in 2015, and the stance of the Company's Board of Directors is to respond sincerely to questions from Outside Board Members and to strive to promptly address their points and proposals and reflect these in the Company's operations. In order to succeed amid intensifying competition in the advanced information technology and globalization of our society, it is essential to emphasize compliance and ensure diversity. I will make full use of my experience as a legal professional so that the Company can achieve sound growth by leveraging the positive qualities expressed in its corporate spirit of "Sincerity and Honesty."

**Career summary**  
 1998 Established Nobuko Kawai Law Office (Representative) (To present)  
 2009 Vice Chairman, Aichi Bar Association  
 2009 Chairman, Kasugai City Equity Commission (To present)  
 2012 Professor of the Law School, Nagoya University  
 2015 Outside Board Member of the Company (To present)  
 2017 Outside Director, IBIDEN CO., LTD. (To present)



Full-time Audit & Supervisory Board Member  
Shinsaku Sakagami

Audit & Supervisory Board Members attend the Board of Directors' meetings, Operations Executive Board meetings, and other important meetings, and audit the execution of duties by Board Members by attending regular meetings with the President & CEO and surveying operations and status of assets at principal business locations. We also work to improve the quality of audits by maintaining collaboration and cooperation and actively exchanging opinions and information with the accounting auditor and the internal audit division. As Audit & Supervisory Board Members, we carry out audit activities in order to increase the effectiveness of the internal control system that is fundamental to building the trust of stakeholders.

**Career summary**  
 1974 Entered the Company  
 1996 General Manager, Manufacturing Department  
 2008 Executive Officer; General Manager, General Affairs Department  
 2011 Executive Officer; General Manager, Human Resources Department, Management Division  
 2011 Full-time Audit & Supervisory Board Member of the Company (To present)



Outside Audit & Supervisory Board Member  
Shigeki Matsuda

As an Audit & Supervisory Board Member, while making efforts to strengthen the Group's corporate governance, I carry out my duties with particular emphasis on whether or not the management system is functioning with speed and transparency. In the fiscal year ending March 31, 2018, the medium-term management targets were formulated with our future vision of "FUJI for Robots" in mind, through a process of meaningful and effective discussion at the Board of Directors' meetings, and I will provide support to ensure that these targets increase corporate value. I aim to build an organizational structure rooted in the spirit of innovation and capable of adapting quickly and accurately to changes in the business environment.

**Career summary**  
 1994 Established Matsuda Public Accounting Firm (Representative) (To present)  
 2004 Established Aiki Tax Accounting Corporation (Representative) (To present)  
 2013 Outside Audit & Supervisory Board Member of the Company (To present)  
 2015 External Audit & Supervisory Board Member, Roland DG Corporation (To present)



Outside Audit & Supervisory Board Member  
Kayoko Yamashita

The Company conducts its corporate activities in markets worldwide and, as a company required to adopt global standards, strives to use international standards for financial accounting, while working to further enhance corporate governance and build even better relationships with stakeholders. As an Outside Audit & Supervisory Board Member, I carry out audits focused on whether the internal control system is functioning effectively throughout the Group in a way suited to the business environment. In addition, I will do my utmost to increase corporate value through earnings, as well as to ensure that the Company can fulfill its corporate social responsibility overall.

**Career summary**  
 2006 Established Yamashita Certified Public Accountant Office (Representative) (To present)  
 2015 Outside Audit & Supervisory Board Member of the Company (To present)  
 2015 Outside Audit & Supervisory Board Member, Sotoh Co., Ltd. (To present)

## Overview

Name	FUJI MACHINE MFG. CO., LTD.	Listing Market	First Section of the Tokyo Stock Exchange, First Section of the Nagoya Stock Exchange
Headquarters	19 Chausuyama, Yamamachi, Chiryu, Aichi, Japan	Main Business	Manufacturing and sales of robotic mounter and machine tools
Established	April 1959	Number of Employees	Consolidated 2,117 Nonconsolidated 1,607
Common Stock	5,879 million yen		

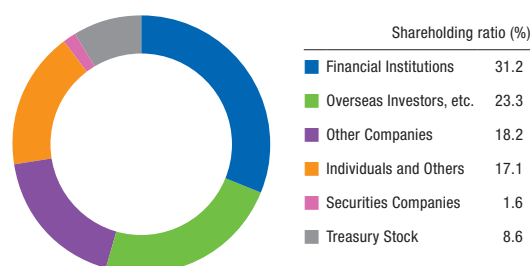
## Status of Shares

Total number of shares authorized to be issued	390,000,000
Total number of shares issued	97,823,748
Number of shareholders	6,140

### Major shareholders (Top10)

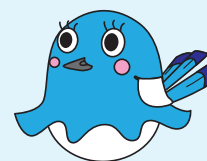
Name	Number of shares held (thousands of shares)	Shareholding ratio (%)
Daido Life Insurance Co.	6,684	7.4
NORTHERN TRUST CO. (AVFC) RE THE KILTEARN GLOBAL EQUITY FUND	4,433	4.9
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,341	4.8
Japan Trustee Services Bank, Ltd. (Trust account)	3,478	3.8
Fuji customers stock ownership	2,917	3.2
The Master Trust Bank of Japan, Ltd. (Trust account)	2,856	3.1
SAKAGAMI CO., LTD.	2,400	2.6
Japan Trustee Services Bank, Ltd. (Trust account 9)	2,169	2.4
NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	1,585	1.7
The Bank of Nagoya, Ltd.	1,554	1.7

### Classification of shareholders



### Mascot Character

FUJILALA is the Company's mascot character, created as part of its aim to be a company that is well received by everyone. Nice to meet you!



Notes: 1. Shares held by the Company as treasury stock (8,372,922 shares) are excluded from the top ten shareholders listed above.  
2. The number of shares held is rounded down to the nearest thousand, and the shareholding ratio is calculated after deducting shares held by the Company as treasury stock.

## Global network

Company name	Location	Established	Main business
Fuji America Corporation	Vernon Hills, Illinois, U.S.	April 1970	Sales of the Company's products (robotic mounter)
Fuji Machine America Corporation	Vernon Hills, Illinois, U.S.	November 1994	Sales of the Company's products (machine tools)
Fuji Machine Manufacturing (Europe) GmbH	Mainz-Kastel, Germany	November 1991	Sales of the Company's products (robotic mounter)
Tower-Factory GmbH	Friedberg, Germany	February 2013	Manufacturing and sales of robotic solutions peripheral devices
Fuji Machine Asia Pte. Ltd.	Singapore	March 2001	Sales of the Company's products (robotic mounter)
Fuji Do Brasil Maquinas Industriais Ltda.	São Paulo, São Paulo, Brazil	November 1995	Sales of the Company's products (robotic mounter)
Fuji Machine China Co., Ltd.	Shanghai, China	November 2007	Maintenance and after-sale service of the Company's products (robotic mounter)
Kunshan Fuji Machine Mfg. Co., Ltd.	Kunshan, China	January 2012	Manufacturing and sales of the Company's products
ADTEK FUJI Co., Ltd.	Okazaki, Aichi	April 1977	Assembly, remodeling and repair of the Company's products
EDEC LINSEY SYSTEM Co., Ltd.	Toyohashi, Aichi	November 1992	Manufacturing of control equipment and electronic equipment, and image processing development