

FUJI robots lead the way

# 2019 ANNUAL REPORT

| Business Summary |

Fiscal year ended March 31, 2019



Corporate Message

# *innovative spirit*

The words "innovative spirit", signifying the spirit perpetuated by the company since it was established, capture the feelings of FUJI CORPORATION.

It all began with "innovative spirit." The spirit to constantly attempt to create revolutionary technologies that was cultivated from our long history and became our driving force.

Corporate Slogan

お客様に感動を!

Excite and Inspire

With foresight into the future, Fuji Group will work to satisfy the needs of people all over the world by continuing to create new values and providing products and services that will excite and inspire our customers.

Growth Strategy

## FUJI robots lead the way

Fuji Group will continue to deliver its unique products to the market on a timely basis, while achieving new manufacturing heights by working to stay ahead of the times and innovate with a focus on robotics technology, to make great strides as a robot manufacturer.

## By providing solutions that excite our customers, we will enhance the value of the Fuji brand.



It is my great honor to have been appointed as President & COO of Fuji Corporation (hereinafter referred to as the “Company”) at the General Meeting of Shareholders held on June 27, 2019. I will devote myself to working together with the approximately 2,400 employees of the Fuji Group to further the development of Fuji.


In the fiscal year ended March 31, 2019 (from April 1, 2018 to March 31, 2019), the global economy as a whole slowed down due to such factors as the escalation of trade friction between U.S. and China. On the other hand, net sales and operating income both reached record highs. The main contributing factors were the consolidation of Fasford Technology Co., Ltd., which became a new subsidiary in August 2018, and firm demand for capital investment in the market. In the fiscal year ending March 31, 2020, we anticipate rising uncertainty in the global economy amid concerns about, among others, further escalation of trade friction between U.S. and

China, the Brexit issue, and the impact of the consumption tax hike on the Japanese economy.

In this rapidly changing environment, the Company adopted a new corporate vision in April 2019: “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.” In our main businesses of Robotic Solutions and Machine Tools, we will further improve our strength in automation technology to develop and launch attractive products that look ahead to the future. Furthermore, we will make the most of IoT to build a production system relentlessly pursuing cost-benefit and efficiency. We will also work to revamp our sales and service system to improve market share and customer satisfaction. Based on these efforts, we will endeavor to provide true innovation that will excite and inspire our customers.

In addition to growth in existing businesses, entries into new fields are imperative for the future. The Company has already launched new products that make use of its strong automation technology into the market, including the next-generation delivery locker system “Quist” in the logistics field and the mobility support robot “Hug” in the nursing care field. Going forward, we will strive to enhance the value of the Fuji brand by achieving significant growth in these new businesses, utilizing, as appropriate, industry-academia collaboration and technology partnerships with partner companies.

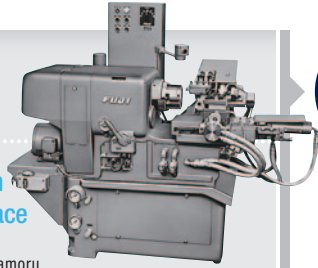
We will continue our efforts to be able to meet increasingly diverse and sophisticated customer demands. Furthermore, we will pursue sustainable development in harmony with society by using our corporate activities to contribute to the environment and society.

  
President & COO

1959

Business launches with just 170 m<sup>2</sup> of work space

On April 7, 1959, our founder, Mamoru Sakagami, and 13 colleagues established FUJI MACHINE MFG. CO., LTD. The single-function FS machine tool, introduced as the Company's first own-brand product, took the industry by storm with its unprecedented productivity.



1959

1971 Enters into a new business field to strengthen the business foundation

The Company leveraged its expertise gained in machine tools to complete its automated assembly machine, in order to build a management base that could withstand economic fluctuations. The technologies honed to meet demands for automation by various types of business lead to the development of electronic component assembly machines.

1970

1978

Full-scale entry into the automatic electronics assembly machine market

As various components with leads were being used on printed circuit boards for transistor radios, televisions, calculators, etc., the Company developed the BA board assembly machine. This was the first of its kind in the world, capable of continually inserting a wide variety of electronic components with leads.



1980



2012

Expands overseas with the manufacturing prowess honed in the domestic market

Kunshan Fuji Machine Mfg. Co., Ltd. is established in Kunshan, Jiangsu, China, as the Group's first overseas production base. It engages mainly in the production and sales of solder printing machines and NC automatic lathes to customers in China, which is the biggest market of our products.

1990

2003

A new concept in surface mount technology for electronics components! Debut of the NXT series

The scalable placement platform NXT was designed with a completely modular structure, enabling freedom when considering the machine layout. This was the birth of one of the greatest machines in the Company's history; a series that has continued to evolve to this day with a total of more than 80,000 modules shipped.



2000

2013

Debut of modular production equipment DLFn, carrying on the DNA of the NXT series

The modular concept cultivated in NXT development was adapted for use in machine tool development to create the modular production equipment, DLFn. This machine revolutionized machine tools, offering a new concept of manufacturing to the machine tool industry.



2010

Establishment of new business models

2016

The Company continued development in the quest to build a third business pillar to stand alongside machine tools and robotic electronic component mounters. Steady development efforts have been bearing fruit with the public stocker system Quist and the mobility support robot Hug.

2018 Toward creating new corporate value

The Company marked its 60th anniversary and changed its name to "FUJI CORPORATION." The Company acquired Fasford Technology Co., Ltd., a manufacturer of semiconductor-manufacturing equipment, to create a new business area by combining surface mount technology with technology for the back-end process of semiconductor manufacturing.

2019

Announces FUJI Smart Factory Platform

2019 NXTR

Aiming to realize full automation of SMT production lines, the Company announced its high-end model NXTR equipped with the world's first automatic component supply system.



## FUJI by the Numbers



**Net Sales**  
(consolidated)

Fiscal year ended March 31, 2019

**129 billion yen**



**Number of Employees**  
(consolidated)

As of March 31, 2019

**2,449 people**



**Market Capitalization**

As of March 31, 2019

**135 billion yen**



**Shareholders' Equity Ratio**

As of March 31, 2019

**83%**



**Overseas Sales Ratio**

Fiscal year ended March 31, 2019

**88%**



**Accumulated Number of Countries Shipped to**

As of March 31, 2019

**More than 60 countries**



**Total Shipment of the NXT Series Modules**

As of June 31, 2019

**80,000 modules**



**Ratio of R&D Investment to Net Sales**

Fiscal year ended March 31, 2019

**6%**

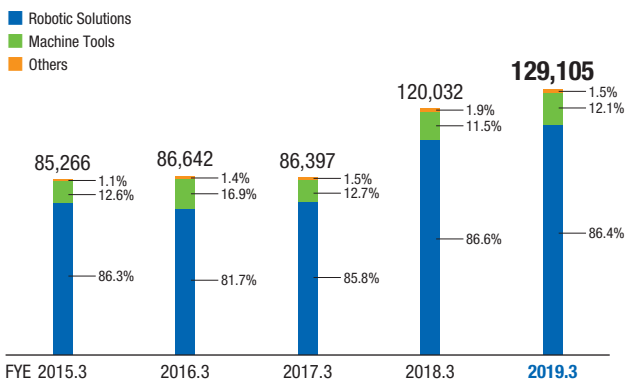


**Paid Vacation Utilization Rate**

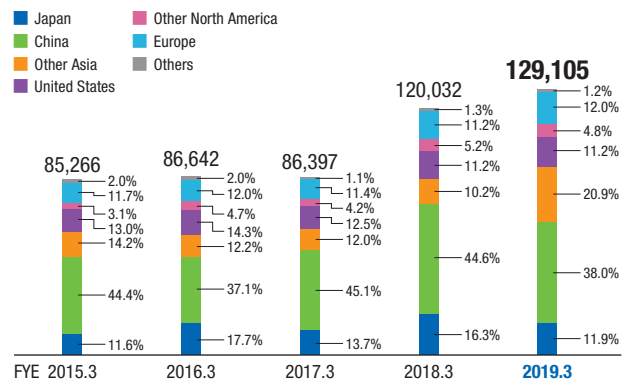
Fiscal year ended March 31, 2019

**87%**

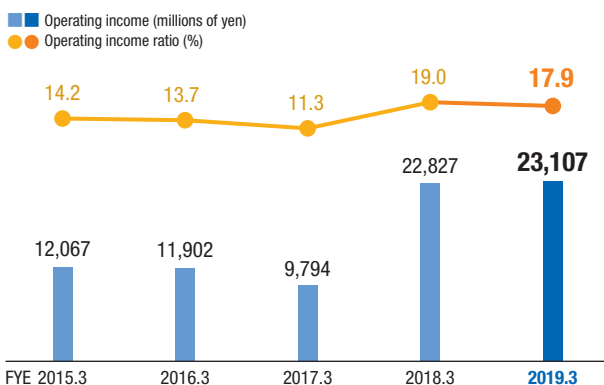
**Consolidated net sales by segment** (millions of yen)



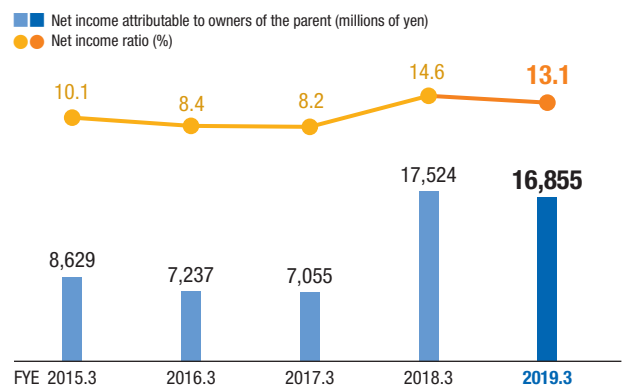
**Consolidated net sales by region** (millions of yen)



**Operating income/Operating income ratio**



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



## Management Structure: Board Members



Chairman & CEO

**Nobuyuki Soga**

1975 Entered the Company  
 1997 Manager, Corporate Planning Office  
 2006 Manager, Business Planning Office,  
 Electronics Assembly Equipment Division  
 2007 Board Member, Executive Officer;  
 Manager, President's Office;  
 Manager, Human Resources Department  
 2008 Board Member, Managing Executive Officer  
 2009 President & CEO  
 2019 Chairman & CEO (To present)



President & COO

**Shinsuke Suhara**

1981 Entered the Company  
 2004 Manager, Development Department 1, SMT Equipment Division  
 2008 Executive Officer;  
 Deputy General Manager, Electronics Assembly Equipment Division;  
 Manager, General Engineering Department 1  
 2010 Board Member, Executive Officer  
 2012 Board Member, Managing Executive Officer  
 2013 Board Member, Managing Executive Officer;  
 General Manager, Electronics Assembly Equipment Division  
 2015 Board Member, Senior Managing Executive Officer

2018 Board Member, Vice President, Executive Officer;  
 General Manager, Robotic Solutions Division  
 2019 President & COO (To present);  
 General Manager, Robotic Solutions Division (To present)



Board Member, Senior Managing Executive Officer

**Takayoshi Kawai**

1978 Entered the Company  
 2004 Manager, Control Engineering Development Department,  
 SMT Equipment Division  
 2008 Executive Officer;  
 Deputy General Manager, Electronics Assembly Equipment Division;  
 Manager, General Engineering Department 2  
 2010 President & CEO, Edec Linsey System Co., Ltd.  
 2013 Board Member, Executive Officer;  
 Manager, General Manufacturing Department, Electronics Assembly Equipment Division;  
 Manager, Production Management Department

2014 Board Member, Executive Officer;  
 Plant Manager, Okazaki Plant  
 2015 Board Member, Managing Executive Officer;  
 General Manager, Machine Tools Division;  
 Plant Manager, Fujioka Plant  
 2018 Board Member, Senior Managing Executive Officer (To present);  
 General Manager, Machine Tools Division (To present);



Board Member, Managing Executive Officer

**Hajime Ezaki**

1980 Joined Nichimen Co., Ltd. (Currently Sojitz Corporation)  
 2003 Entered the Company  
 2007 Manager, International Sales Department 2,  
 Electronics Assembly Equipment Division  
 2011 Executive Officer;  
 Manager, Corporate Planning Office  
 2013 Executive Officer;  
 Deputy General Manager, Electronics Assembly Equipment Division  
 2014 Executive Officer;  
 Manager, Marketing and Strategic Planning Department

2015 Board Member, Executive Officer  
 2018 Board Member, Executive Officer;  
 Deputy General Manager, Machine Tools Division;  
 Manager, Sales Department  
 2019 Board Member, Managing Executive Officer (To present);  
 Deputy General Manager, Machine Tools Division (To present);  
 Manager, Sales Department (To present)  
**[Representation of Other Companies]**  
 Chairman, Fuji Machine America Corporation  
 Chairman, Kunshan Fuji Machine Mfg. Co., Ltd.



Board Member, Executive Officer

**Mitsuji Tatsumi**

1982 Joined Dainippon Screen Mfg. Co., Ltd.  
 (Currently SCREEN Holdings Co., Ltd.)  
 2009 Entered the Company  
 Manager, Finance & Accounting Department  
 2010 Manager, Accounting Department, Administrative Division  
 2012 Executive Officer;  
 Manager, Accounting Department  
 2014 Board Member, Executive Officer (To present);  
 Manager, Accounting Department (To present)

2018 Board Member, Executive Officer (To present);  
 Deputy General Manager, Robotic Solutions Division (To present);  
 Manager, Sales Department 1 (To present)  
**[Representation of Other Companies]**  
 Chairman, Fuji Machine China Co., Ltd.



Board Member, Executive Officer

**Masaaki Sugiura**

1986 Entered the Company  
 1993 Manager, European Representative Office  
 2003 Manager, European Sales Section, SMT Equipment Division  
 2004 President, Fuji Machine Manufacturing (Europe) GmbH  
 2011 Manager, Sales Department 3,  
 Electronics Assembly Equipment Division  
 2015 Executive Officer;  
 Manager, Sales Department 1,  
 Electronics Assembly Equipment Division

## Management Structure: Board Members and Audit & Supervisory Board Members



Outside Board Member  
**Nobuko Kawai**

- 1992 Registered as a lawyer  
Joined Nishimura & Sanada Law Office
- 1998 Established Nobuko Kawai Law Office (Representative)  
(To present)
- 2002 Contract lawyer, The Japan Center for Settlement of Traffic  
Accident Disputes (To present)
- 2009 Vice Chairman, Aichi Bar Association;  
Chairman, Kasugai City Equity Commission (To present)
- 2012 Professor, Nagoya University Graduate School of Law
- 2015 Outside Board Member of the Company (To present)

- 2017 Outside Director, IBIDEN CO., LTD. (To present)
- [Representation of Other Companies]**  
Representative, Nobuko Kawai Law Office  
Outside Director, IBIDEN CO., LTD.



Outside Board Member  
**Hideaki Tamada**

- 1970 Joined SANYO Electric Co., Ltd.
- 1995 President, SANYO Energy (EUROPE) Corporate GmbH
- 2006 President, SANYO EUROPE Ltd.
- 2011 Advisor, TONG SAN ELECTRIC CO., LTD. (To present)
- 2019 Outside Board Member of the Company (To present)

- [Representation of Other Companies]**  
Advisor, TONG SAN ELECTRIC CO., LTD.



Full-time Audit & Supervisory Board Member  
**Yoshiaki Kuroyanagi**

- 1983 Joined Kojima Sangyo Co., Ltd.
- 1989 Entered the Company
- 2007 Manager, Business Planning Office,  
Electronics Assembly Equipment Division
- 2010 Manager, Production Management Department,  
Electronics Assembly Equipment Division
- 2011 Director, EDEC LINSEY SYSTEM Co., Ltd.
- 2013 Manager, Planning Department, Electronics Assembly  
Equipment Division
- 2015 Manager, Internal Audit Division

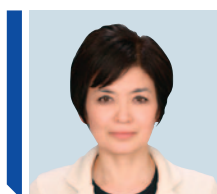
- 2018 Full-time Audit & Supervisory Board Member (To present)



Outside Audit & Supervisory Board Member  
**Shigeki Matsuda**

- 1986 Joined Marunouchi & Co.  
(Currently Deloitte Touche Tohmatsu LLC)
- 1990 Registered as a Certified Public Accountant
- 1993 Registered as a Certified Tax Accountant
- 1994 Established Matsuda Public Accounting Firm (Representative)  
(To present)
- 2004 Established Aiki Tax Accounting Corporation (Representative)  
(To present)
- 2012 Auditor, Nagoya Institute of Technology

- 2013 Outside Audit & Supervisory Board Member of the Company  
(To present)
  - 2015 External Audit & Supervisory Board Member, Roland DG Corporation  
(To present)
- [Representation of Other Companies]**  
Representative, Matsuda Public Accounting Firm  
Representative, Aiki Tax Accounting Corporation  
External Audit & Supervisory Board Member, Roland DG Corporation



Outside Audit & Supervisory Board Member  
**Kayoko Yamashita**

- 1992 Joined Chuo Shinko Audit Corporation
  - 1996 Registered as a Certified Public Accountant
  - 1997 Joined Miyake Certified Public Accountant Office
  - 2006 Established Yamashita Certified Public Accountant Office  
(Representative) (To present)
  - 2008 Registered as a Certified Tax Accountant
  - 2015 Outside Audit & Supervisory Board Member of the Company  
(To present)
- Outside Audit & Supervisory Board Member, Sotoh Co., Ltd.  
(To present)

- [Representation of Other Companies]**  
Representative, Yamashita Certified Public Accountant Office  
Outside Audit & Supervisory Board Member, Sotoh Co., Ltd.



President & COO  
Robotic Solutions Division General Manager  
**Shinsuke Suhara**

## We will aim to increase our market share by expanding product lineups and promoting automation proposals

In the fiscal year ending March 31, 2020, we will aim to increase our market share by continuing to expand the product lineups of robotic mounters, peripheral devices, etc. In terms of development, we will introduce a new model "NXTR" to the market, and accelerate collaboration with other companies for Nexim, which is the key software to the concept called FUJI Smart Factory for achieving IoT on production lines. We will also strive to create new values by combining the mounting technologies of the Company with the semiconductor-related technologies of Fasford Technology Co., Ltd. In terms of sales, we will focus on initiatives to attract new customers in growth market such as automotive-related products undergoing further advances of electronics applications and 5G (next generation cellular network technology) products, and proposing a comprehensive production line solution focusing on automation, to strengthen brand recognition of the Fuji brand. In terms of production, we will strive to build a flexible production system that can accommodate changes in demand by promoting factory automation using applications in addition to IoT.

We will further focus on creating a system that enables us to swiftly bring unique products to market by responding flexibly to active capital investment by our customers.

### Market environment for the fiscal year ended March 31, 2019

- Capital investments were firm in fields such as telecommunications, computers and services, and automotive-related products
- Asian markets, particularly Taiwan and India, grew

### Achievements in fiscal year ended March 31, 2019

- Robotic Solutions Division achieved record-high consolidated net sales and operating income
- The Company acquired Fasford Technology Co., Ltd. to strengthen the ability to propose next generation technologies
- The Company became a member of the Surface Mount Technology Equipment Communication Protocol Standardization Subcommittee of the Japan Robot Association, which established JARAS1014, a communication protocol for M2M cooperation

#### Product features/strengths

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

#### Robotic mounter

NXT III

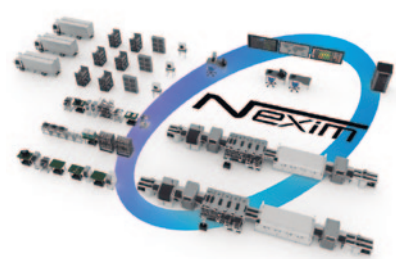


#### Solder printing machine

GPX-C

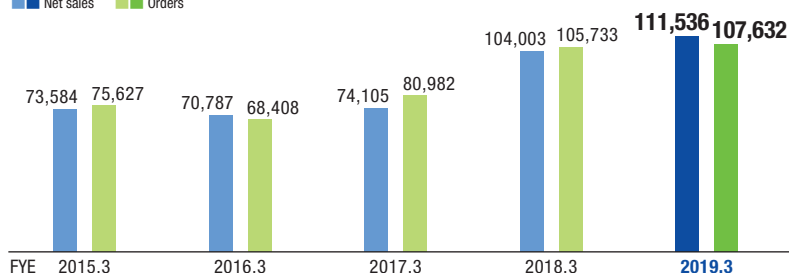


#### Integrated production system



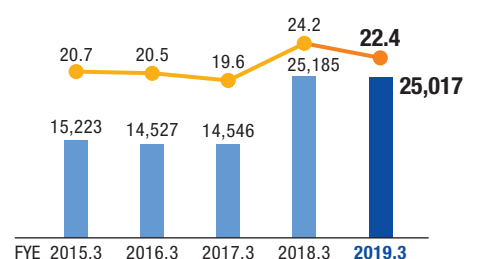
#### Net sales/Orders (millions of yen)

■ Net sales ■ Orders



#### Operating income/Operating income ratio

■ Operating income (millions of yen) ● Operating income ratio (%)





Board Member,  
Senior Managing Executive Officer,  
Machine Tools Division General Manager

**Takayoshi Kawai**

## We will increase the value of our businesses by strengthening collaboration in the Fuji Group as a whole

In March 2019, a new production building was completed on the premises of the Toyota Plant, where the Machine Tools Division is based. The total investment amount is around 6,000 million yen. With a total floor area of 20,000 m<sup>2</sup>, this building is designed to help perform planned production efficiently and reduce lead time through centralized management of production information using IoT and the effective use of robots. The new production building is positioned as the key station to strengthen the collaboration capability between three sites—the Toyota Plant, Kunshan Fuji Machine Mfg. Co., Ltd., and Fuji Machine America Corporation. In the future, more standard specification machines will be produced here and will be sent to overseas locations such as China and the U.S. for flexible and speedy local customization to better suit local customer requirements and needs.

In terms of development, we will develop new products that accurately grasp market needs and improve the quality of existing models. In terms of sales, we will strive to create a business structure that generates stable profit through the development of new markets.

### Market environment for the fiscal year ended March 31, 2019

- Appetite for capital investment remained high during the first half of the year, but has been on a decline since fall due to concerns about developments in the international situation
- Demand remained firm particularly in the Chinese and Southeast Asian markets

### Achievements in fiscal year ended March 31, 2019

- Developed front-facing dual spindle lathe “CSD300 II”
- Completed construction of a new production building at Toyota Plant

### Product features/strengths

- 1 Highly rigid design enables high-speed, high-precision, and high-quality parts processing
- 2 DLFn has a transfer robot in the base, reducing lost production time and making the line length shorter than half the previous lines

#### Horizontal CNC lathe

TN SERIES



#### Front facing twin spindle lathe

CS SERIES

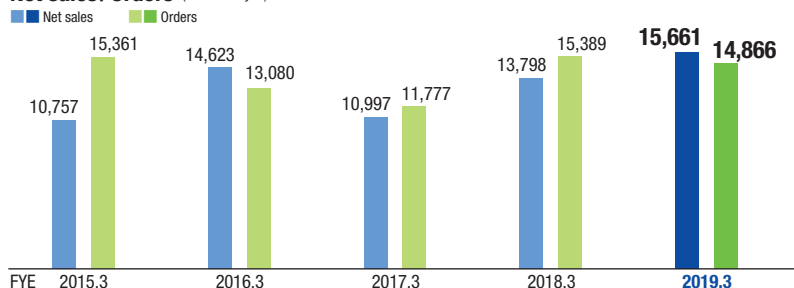


#### Modular production equipment

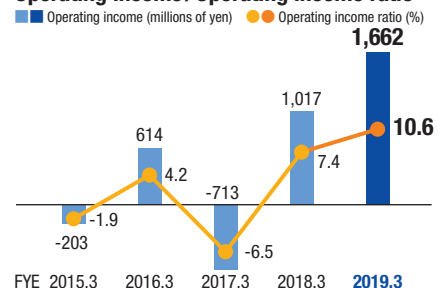
DLFn



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



### Operating income/Operating income ratio





Senior Executive Officer  
Development Center Head  
Intellectual Property Department Manager

## Katsuhiro Mashimo

### We will endeavor to create innovative new business with robotics technology as our core

In addition to growth in existing business, entering new fields is essential for Fuji to continue its growth as a robotics company. We have already launched new products into the market, leveraging our strength in advanced technology. These products include the mobility support robot “Hug” in the nursing care field and the next-generation delivery locker system “Quist” for the logistics industry. In recent years, we have also implemented at a brisk pace, product improvements and the development of optional features, such as installing AI functions in the compact multijoint robot “SmartWing” and launching a new model of the ultra high density atmospheric pressure plasma unit “Tough Plasma.”

During the fiscal year ended March 31, 2019, we started the development of “e-Sys,” a platform to support the business of robot system integrators, and “FPM-Trinity,” an all-in-one device that enables 3D resin molding, electronic circuit printing, and component mounting, which is being developed based on the concept of a “device with which anybody can make electronic equipment easily.”

In the fiscal year ending March 31, 2020, to establish a brand image of Fuji as a robotic company, we will push forward with new business development based on robotics technology, mainly focusing on safety sensors and servo controllers, which are necessary for collaborative robots, as well as AI technologies that are necessary for next-generation robots.

We will strive to increase customer satisfaction by gaining a sound understanding the fine nuances of market needs, implementing product improvements, and developing optional features at a brisk pace.



#### Compact multijoint robot

By using coordinate correction technology and vision data, teaching with physical guidance, an operation which is necessary for conventional robots, is no longer required. The time required for startup is greatly reduced.



#### Atmospheric pressure plasma unit

Using plasma irradiation to process surfaces before bonding or coating improves the bonding strength. Tough Plasma can also be used for heat-sensitive materials with its low-temperature processing, and supports the development of materials and components with a wide variety of functions.



#### Mobility support robot

In a care-giving situation, this robot assists movements to and from sitting positions such as from bed to wheelchair or from wheelchair to the toilet seat, as well as helps maintaining a standing position while getting dressed. Fuji's cutting edge technology is applied to a considerate robot design that has the potential to deliver a paradigm shift in the style of nursing care.



#### Public stocker system

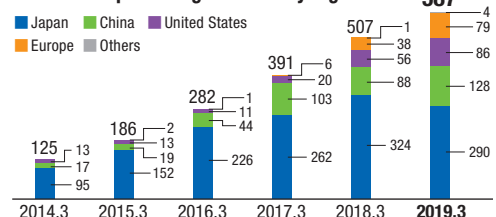
Quist is a next generation IoT-based delivery locker system that enables people to receive merchandise they bought from online shopping sites and supermarkets. This allows people to receive packages without stress regardless of their day to day schedule.

### Intellectual Property Strategy

#### Intellectual property strategy to strengthen the global competitiveness of our businesses

The Company implements intellectual property activities that stand on three pillars: business strategy, technology strategy, and intellectual property strategy. We also actively apply for patents both in Japan and overseas. As a result, our patent registrations exceeded 500 in the fiscal year ended March 31, 2019. In the fiscal year ending March 31, 2020, we will continue to develop an intellectual property strategy that leads to strengthening competitiveness in order to respond swiftly to technological development supported by a committed effort for invention in each business division, aiming to establish de facto standards for the next generation.

Numbers of patent registrations by region



## Capital Strategy



Board Member, Executive Officer,  
Accounting Department Manager

**Mitsuji Tatsumi**

### We are committed to continuing strategic investment directed toward growth and stable return of profits to our shareholders

The Company will work to establish a leading brand in the industry through production and sales innovation while sustaining a high level of investment in R&D, and aim to increase its corporate value through strategic investments in peripheral and new businesses as well as active capital investment toward future growth.

In addition, from the perspective of increasing shareholder value, we are working on improving capital efficiency and the continuous return of profits to our shareholders as our most important management policies.

The strategic investments for future growth mentioned above include the expansion of Okazaki Plant and a new production building at the Toyota Plant for 6,900 million yen in total over the fiscal years ended March 31, 2018, and March 31, 2019, and the acquisition of shares of Fasford Technology Co., Ltd. for 21,800 million yen in August 2018. All these investments have been funded with the Company's own funds.

While our main business is susceptible to economic fluctuations worldwide and major shifts in our performance are unavoidable, we will always endeavor to maintain stable dividends.

We also consider the acquisition of treasury stock an effective measure for improving capital efficiency and hence acquired treasury stock with a total value of 10,000 million yen in the fiscal year ended March 31, 2017. We continue to view the acquisition of treasury stock as a major capital policy option and will consider appropriate and flexible implementation, taking into account factors such as our performance and stock market trends.



New production building in Toyota Plant



Fasford Technology Co., Ltd.

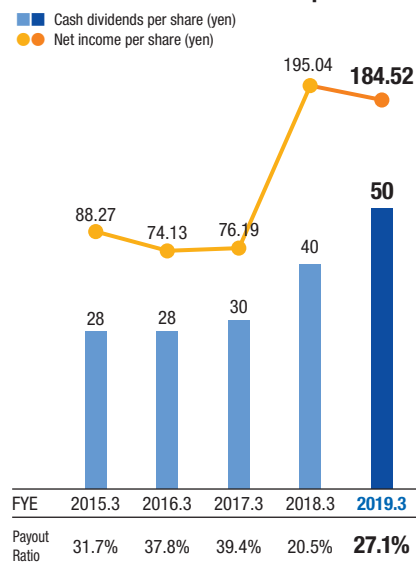
## IR activities

We strive 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.

We have established a channel for dialogue with shareholders and investors, which is actively conducted by the President, officers in charge, and other relevant personnel. Our IR activities aim to ensure good two-way communication on management strategy, business strategy, financial information, etc., emphasizing fairness, accuracy, and continuity, to realize constructive dialogue.

- Participate in IR events for individual investors
- Hold quarterly financial result briefings for analysts and institutional investors
- Hold meetings with analysts and institutional investors on an individual basis as needed
- Participate in conferences for overseas institutional investors, hold meetings
- Publish the annual report in English and Japanese
- Compose and disclose financial statements and materials for briefing in English and Japanese
- Renew various information actively through use of press releases
- Update governance reports

### Net income and cash dividends per share



# We will continue to contribute to the creation of a prosperous society by promoting manufacturing with ESG in mind.

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

Fuji 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 business activities, the Group will fulfill its corporate social responsibility with an eye toward sustainable development together with society.



## Basic Environmental Plan

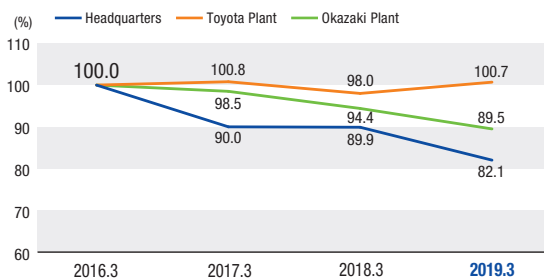
Positioning environmental preservation activities as an important management issue, we pursue such activities Company-wide in order to leave a rich and beautiful natural environment for the next generation. We consider the environment in carrying out our business activities, recognizing that preservation 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, 2020
Measures to prevent global warming	Improving production efficiency and awareness-raising and promotion related to energy-saving activities
	Reduction of energy consumption per unit by 1% (compared to fiscal year ended March 31, 2019)
Promotion of resource recycling	Awareness-raising and promotion related to resource-saving activities
Measures for products	Develop environmentally friendly (energy-saving, space-saving) products

## Trend of energy consumption per unit

(Using the figure from fiscal year ending March 31, 2016 as a benchmark)

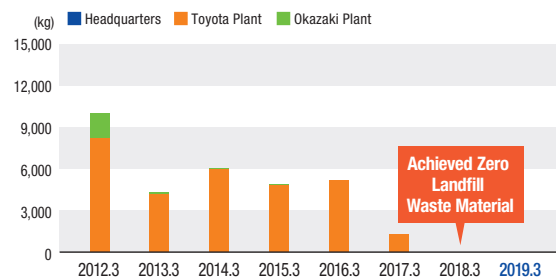


## Energy efficient factories

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, CO2 emissions are reduced, which contributes to preserving the environment. (Toyota Plant).



## Amount of landfill waste material



## Developing low energy products



The graph above shows the amount of electricity required to pick and place 10,000 electronic components. 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 a previous series, the NXT III can produce the same volume using 12% of the electricity.

## Sustainability Management

### Society

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

### Community

As members 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.”

#### Operation of “teracoya THANK”

Our after school English program “teracoya THANK” encourages local elementary school children to think and convey their messages in English, fostering future global talents with a zeal for technology.

### Fuji Healthy Business Declaration

Based on the understanding that promoting health leads to the happiness of our employees and their families as well as supports development of the Company and improvement in corporate value, we are working to positively support “health management” as initiated and implemented by employees.

- 1 Prevention of health problems and early detection of abnormalities, with subsequent measures
- 2 Preventive measures for lifestyle disease
- 3 Prevention and improvement of mental health issues
- 4 Anti-smoking campaign
- 5 Protection against infectious diseases
- 6 Measures to prevent overwork

### Work Environment

At the Company, 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/nursing care leave, reduced work hours for childcare/nursing care, and a system to take days off to take care of a sick family member or for nursing care needs. 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

With compliance being fundamental to us, we conduct regular safety patrols aiming to eliminate workplace accidents and work to ensure workplace safety both in manufacturing sites and offices.

We also strive to properly manage workplace environments and to promote the health of employees with health management activities, aiming to make a comfortable work environment.

#### Initiatives for human resources development

We are committed to junior and mid-career employee education. At the Sokaijyuku training course that engineering employees take in their first year with the Company before they are assigned to a division, by acquiring knowledge outside their area of specialization and developing a robot in a practical way, 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 in which employees acquire skills such as how to lead an organization and how to communicate smoothly, and global training to nurture employees who can work successfully overseas, are also part of our efforts to enhance educational opportunities within the Company.

### Governance

#### Basic Concept

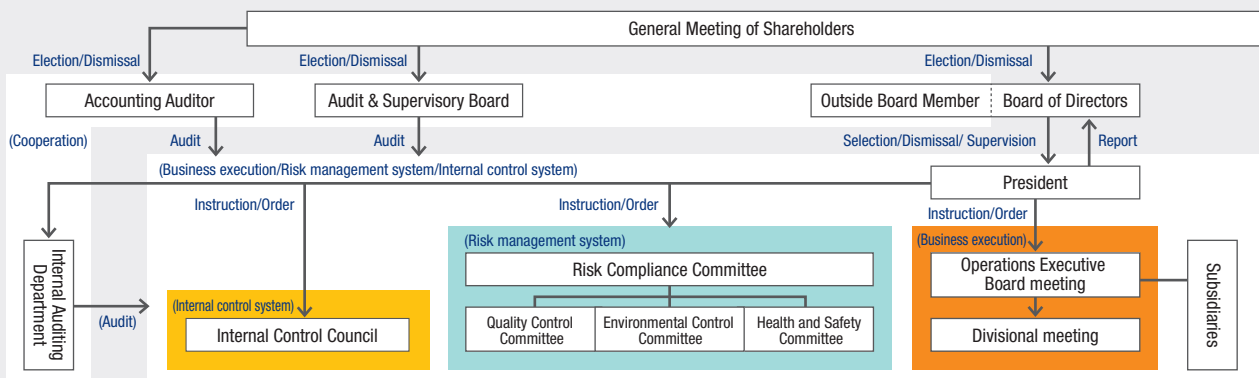
The Group views working to create higher corporate value for shareholders, customers, business partners, and employees to be the most important issue. Accordingly, the Group is working to establish and enhance fair and transparent management systems, an organizational structure that can respond to changes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

#### Corporate Governance System

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 Board Members: 4
Number of Board of Directors' meetings held in a year: 13 (planning)
Term of office of Board Members: 1 year
Adoption of an executive officer system: Yes
Number of Executive Officers: 10

As of June 28, 2019

#### Composition of Corporate Governance System



## Company Profile

### Overview

Name	FUJI CORPORATION	Listed Markets	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 electronic assembly equipment and machine tools
Established	April 1959	Number of Employees	Consolidated 2,449 Nonconsolidated 1,671 (as of March 31, 2019)
Capital Stock	5,879 million yen		

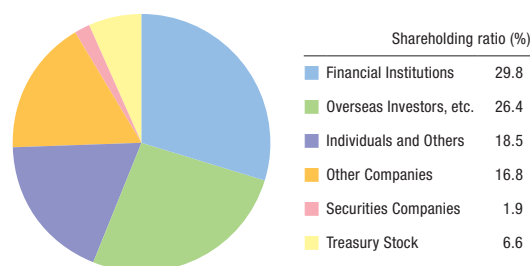
### Status of Shares (as of March 31, 2019)

Total number of shares authorized to be issued	390,000,000
Total number of shares issued	97,823,748
Number of shareholders	10,268

#### Major shareholders (Top 10)

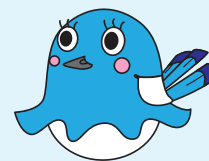
Name	Number of shares held (thousands of shares)	Shareholding ratio (%)
Daido Life Insurance Co.	6,684	7.31
MUFG Bank, Ltd.	4,272	4.67
The Master Trust Bank of Japan, Ltd. (Trust account)	3,747	4.10
Japan Trustee Services Bank, Ltd. (Trust account)	3,343	3.66
Fuji customers stock ownership	2,933	3.21
Japan Trustee Services Bank, Ltd. (Trust account 9)	1,715	1.87
NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	1,638	1.79
The Bank of Nagoya, Ltd.	1,554	1.70
Mitsubishi UFJ Trust and Banking Corporation	1,483	1.62
STATE STREET BANK AND TRUST COMPANY 505001	1,407	1.54

#### 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 shares (6,478,764 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 by deducting treasury shares held by the Company and rounded down to two decimal places.

### Consolidated Subsidiaries

Company name	Location	Established	Main business
ADTEK FUJI Co., Ltd.	Aichi, Japan	April 1977	Manufacturing of robotic mounters, and remodeling and repair of machine tools
EDEC LINSEY SYSTEM Co., Ltd.	Aichi, Japan	November 1992	Manufacturing of units related to robotic mounters
Fasford Technology Co., Ltd.	Yamanashi, Japan	March 2015	Manufacture and sale of semiconductor manufacturing equipment
Fuji America Corporation	Vernon Hills, Illinois, U.S.	April 1970	Sales of the Company's products (robotic mounters)
Fuji Machine America Corporation	Vernon Hills, Illinois, U.S.	November 1994	Sales of the Company's products (machine tools)
FUJI EUROPE CORPORATION GmbH	Kelsterbach, Germany	November 1991	Sales of the Company's products (robotic mounters)
Tower-Factory GmbH	Unterföhring, Germany	February 2013	Manufacturing and sales of peripheral devices for robotic mounters
Fuji Machine China Co., Ltd.	Shanghai, China	November 2007	Maintenance and after-sale service of the Company's products (robotic mounters)
Kunshan Fuji Machine Mfg. Co., Ltd.	Kunshan, China	January 2012	Manufacturing and sales of the Company's products
Fuji Do Brasil Maquinas Industriais Ltda.	São Paulo, Brazil	November 1995	Sales of the Company's products (robotic mounters)

Editorial Policy

The aim of this report is to make the Group's management strategies and financial information easy to understand for stakeholders (including shareholders, customers, business partners, employees, and local communities that have a diversity of interests in the Company).

Period Covered

Fiscal year ended March 31, 2019  
(from April 1, 2018 to March 31, 2019)