

**FUJI robots lead the way**



# 2020 ANNUAL REPORT

Business Summary

Fiscal year ended March 31, 2020

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.

FUJI CORPORATION (hereinafter referred to as the “Company”) would like to present its Annual Report for the fiscal year ended March 31, 2020 (from April 1, 2019 to March 31, 2020).

In the fiscal year ended March 31, 2020, the global economy shifted to a decline as a result of successively occurring events that had significant impacts on the economy in Japan and abroad, such as the unstable international affairs including the unpredictable US-China trade conflict, the deteriorating situation in the Middle East centered on Iran, and the Brexit issue, and within Japan the devastations caused by typhoons centered on eastern Japan, as well as the global spread of the novel coronavirus disease (COVID-19) from the beginning of 2020.

In this rapidly changing environment, with the corporate vision to “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”, we actively implemented measures such as introducing to the market attractive products that look ahead to the future, and building a production system that pursues cost-benefit and efficiency as well as a sales system aiming to improve the market share and customer satisfaction. As a result, in the fiscal year ended March 31, 2020, we achieved the planned targets revised in February 2020.

In the Robotic Solutions Division, we set the goal of securing the top share in the market for electronic component mounters. This has already been achieved, but in order to further expand our market share, we are pushing forward with the development of new products and other initiatives with a greater sense of urgency than ever before.

It is undeniable that the Machine Tools Division was in a difficult situation, under the current unfavorable economy of the machine tools industry. However, we will continue to strive to develop new products in line with our sales strategy, and build an even more efficient production system.



In the field of new businesses, we established a new company for the external sales of our linear motor products, and expanded our robot lineup. We will promote the creation of new businesses in the fiscal year ending March 31, 2021 by continuing to accelerate such development and generate innovation.

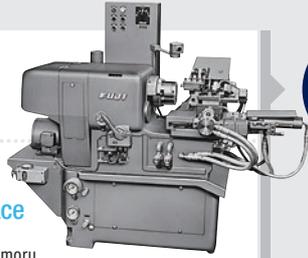
Finally, while it is a given that business enterprises shall work to achieve business growth, they are also required to fulfill their responsibility as public institutions of society. We will strive to create new value such as by solving social issues with robotics technologies and realizing a sustainable society that makes people happy.

*S. Suhara*  
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. in order to deliver to the world machine tools that meet their own ideal. 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 actively strive to develop various automated assembly machines, in order to build a business base that could withstand economic fluctuations. The technologies honed from this led to the development of electronic component assembly machines.

1978

**Full-scale entry into the automatic electronics assembly machine market**

As various components were being used for electronics such as 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 into printed circuit boards.



1980

2012

**Expands overseas with the manufacturing prowess honed in the domestic market**

Kunshan Fuji Machine Mfg. Co., Ltd. was 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 the Chinese market, which is the biggest market of our products.



2003

**A new concept in surface mount technology for electronic 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 90,000 units shipped.



1990

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.



2000

**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.

2010

**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.

2020

**2019 Announced FUJI Smart Factory Platform NXTR**

Aiming to fully automate SMT production lines, the Company announced its high-end model NXTR equipped with the world's first automatic feeder exchange system.



## FUJI by the Numbers



### Net Sales

Fiscal year ended March 31, 2020

**141** billion yen



### Number of Employees

As of March 31, 2020

**2,493** people



### Market Capitalization

As of March 31, 2020

**151** billion yen



### Equity Ratio

As of March 31, 2020

**84%**



### Overseas Sales Ratio

Fiscal year ended March 31, 2020

**90%**



### Accumulated Number of Countries Shipped to

As of March 31, 2020

More than **60** countries



### ROE

As of March 31, 2020

**9.1%**



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

Fiscal year ended March 31, 2020

**6%**



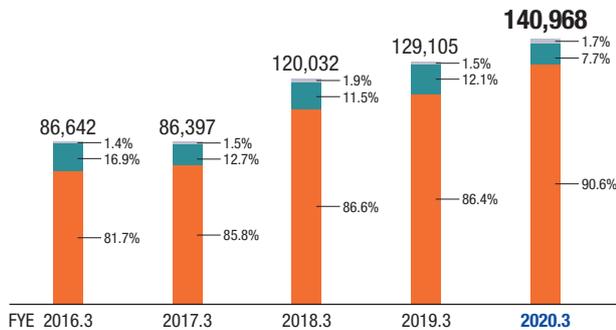
### Paid Vacation Utilization Rate

Fiscal year ended March 31, 2020  
\*Non-consolidated basis

**86%**

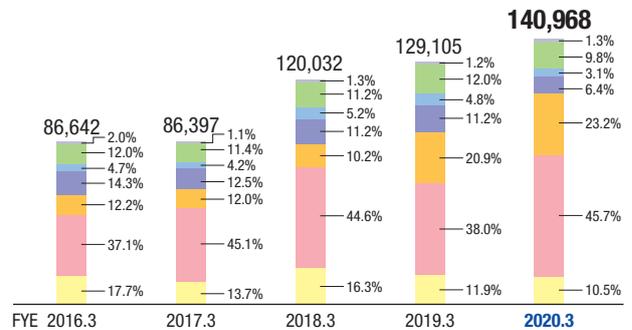
### Net sales by segment (millions of yen)

Robotic Solutions Machine Tools Others



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

Japan China Other Asia United States Other North America Europe Others



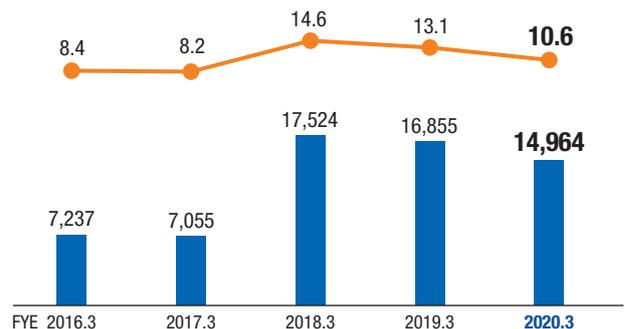
### Operating profit / Operating profit ratio

Operating profit (millions of yen)  
Operating profit ratio (%)



### Profit attributable to owners of parent Net profit ratio

Profit attributable to owners of parent (millions of yen)  
Net profit ratio (%)



## Management Structure: Board Members



Chairman & CEO  
**Nobuyuki Soga**

- 1975 Entered the Company
- 2007 Board Member, Executive Officer;  
General Manager, President's Office;  
General 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
- 2008 Executive Officer;  
Deputy General Manager,  
Electronics Assembly Equipment Division
- 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;  
General Manager, Electronics Assembly Equipment Division
- 2018 Board Member, Vice President, Executive Officer;  
General Manager, Robotic Solutions Division
- 2019 President & COO;  
General Manager, Robotic Solutions Division
- 2020 President & COO (To present)



Board Member,  
Managing Executive Officer  
**Hajime Ezaki**

- 2003 Entered the Company
- 2011 Executive Officer; General Manager, Corporate Planning Office
- 2015 Board Member, Executive Officer; General Manager,  
Marketing and Strategic Planning Department
- 2018 Board Member, Executive Officer;  
Deputy General Manager, Machine Tools Division;  
General Manager, Sales Department
- 2019 Board Member, Managing Executive Officer;  
Deputy General Manager, Machine Tools Division;  
General Manager, Sales Department
- 2020 Board Member, Managing Executive Officer (To present);  
General Manager, Machine Tools Division (To present);  
General Manager, Sales Department (To present)

#### Representation of Other Companies

Chairman, Fuji Machine America Corporation  
Chairman, Kunshan Fuji Machine Mfg. Co., Ltd.



Board Member,  
Managing Executive Officer  
**Masaaki Sugiura**

- 1986 Entered the Company
- 2015 Executive Officer;  
General Manager, Sales Department 1,  
Electronics Assembly Equipment Division
- 2018 Board Member, Executive Officer;  
Deputy General Manager, Robotic Solutions Division;  
General Manager, Sales Department 1
- 2020 Board Member,  
Managing Executive Officer (To present);  
General Manager,  
Robotic Solutions Division (To present)

#### Representation of Other Companies

Chairman, Fuji Machine China Co., Ltd.  
Chairman, FUJI INDIA CORPORATION PRIVATE LIMITED



Board Member,  
Executive Officer  
**Mitsuji Tatsumi**

- 2009 Entered the Company
- 2012 Executive Officer;  
General Manager, Accounting Department
- 2014 Board Member, Executive Officer (To present);  
General Manager, Accounting Department  
(To present)



Board Member,  
Executive Officer  
**Junichi Kano**

- 1987 Entered the Company
- 2017 Executive Officer;  
General Manager, President's Office
- 2020 Board Member, Executive Officer (To present);  
General Manager, Business Administration  
Department (To present)



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
- 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.
- 2019 Outside Board Member of the Company (To present)



Outside Board Member  
**Shoji Mizuno**

- 1977 Joined MARUBUN CORPORATION
- 2005 CEO and Representative Director,  
Marubun Semicon Corporation
- 2013 Chief Executive Officer, Representative Director,  
MARUBUN CORPORATION
- 2020 Vice President, MARUBUN CORPORATION  
Outside Board Member of the Company (To present)

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



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

- 1989 Entered the Company
- 2007 General Manager, Management & Planning Department, Electronics Assembly Equipment Division
- 2010 General Manager, Production Management Department, Electronics Assembly Equipment Division
- 2011 Director, EDEC LINSEY SYSTEM Co., Ltd.
- 2013 General Manager, Planning Department, Electronics Assembly Equipment Division
- 2015 General 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)
- 2013 Outside Audit & Supervisory Board Member of the Company (To present)
- 2015 Outside Audit & Supervisory Board Member, Roland DG Corporation (To present)

Representation of Other Companies

Representative, Matsuda Public Accounting Firm  
Representative, Aiki Tax Accounting Corporation  
Outside 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.



Senior Executive Officer  
**Kimihiko Yasuda**

- 1980 Entered the Company
- 2004 General Manager, Control Engineering Department, LCD Assembly Equipment Division
- 2012 Executive Officer; General Manager, Technology Development Department
- 2013 Executive Officer; President & CEO, EDEC LINSEY SYSTEM Co., Ltd.
- 2017 Senior Executive Officer; President & CEO, EDEC LINSEY SYSTEM Co., Ltd.
- 2020 Senior Executive Officer (To present); General Manager, Development Center (To present)



Senior Executive Officer  
**Masaki Katayama**

- 1981 Entered the Company
- 1982 Seconded to European Representative Office
- 1996 Seconded to Fuji America Corporation
- 2006 General Manager, Quality Assurance Department, Electronics Assembly Equipment Division
- 2011 Executive Officer; General Manager, Development Evaluation Department, Electronics Assembly Equipment Division
- 2012 Executive Officer; General Manager, Material Procurement Division
- 2016 Senior Executive Officer (To present); General Manager, Procurement Division (To present)



Senior Executive Officer  
**Hiroshi Katsumi**

- 1983 Entered the Company
- 2008 General Manager, Machine Engineering Department, Electronics Assembly Equipment Division
- 2012 General Manager, Development Evaluation Department, Electronics Assembly Equipment Division
- 2015 Executive Officer; Plant Manager, Okazaki Plant; General Manager, Production Management Department, Electronics Assembly Equipment Division
- 2018 Senior Executive Officer; Plant Manager, Okazaki Plant; General Manager, Production Department 2, Robotic Solutions Division
- 2020 Senior Executive Officer (To present); Deputy General Manager, Robotic Solutions Division (To present); Plant Manager, Okazaki Plant (To present); General Manager, Inspection Department (To present)

Representation of Other Companies

President & CEO, FUJI LINEAR CORPORATION



Executive Officer  
**Takatoshi Suzuki**

- 1986 Entered the Company
- 2009 General Manager, Human Resources Department; General Manager, President's Office
- 2010 General Manager, Management & Planning Department, Electronics Assembly Equipment Division
- 2013 General Manager, President's Office
- 2015 General Manager, President's Office; General Manager, Human Resources Department
- 2017 General Manager, General Affairs Department
- 2018 Executive Officer (To present); General Manager, General Affairs Department (To present)



Executive Officer  
**Hiroshi Murakami**

- 2016 Entered the Company
- 2017 General Manager, Information System Department
- 2020 Executive Officer (To present); General Manager, Sales Engineering Department, Robotic Solutions Division (To present)



Executive Officer  
**Kazutoshi Sakai**

- 1985 Entered the Company
- 2009 General Manager, Quality Assurance Department, Machine Tools Division
- 2010 General Manager, Management & Planning Department, Machine Tools Division
- 2012 General Manager, Production Management Department, Machine Tools Division
- 2014 Executive Officer; General Manager, Production Management Department, Machine Tools Division
- 2015 Executive Officer; Deputy General Manager, Machine Tools Division; General Manager, Production Management Department
- 2020 Executive Officer (To present); Deputy General Manager, Machine Tools Division (To present); General Manager, Production Management Department (To present); General Manager, Production Department (To present)



Board Member, Managing Executive Officer;  
General Manager, Robotic Solutions Division

## Masaaki Sugiura

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

In the fiscal year ended March 31, 2020, sales of smartphones and demand for equipment for the 5G next-generation communication protocol, particularly in Asian markets such as China, were vigorous. Furthermore, net sales for the segment reached a record high of 127,763 million yen, partially due to contribution of the effects of the consolidation of Fasford Technology Co., Ltd., which was made a subsidiary in August 2018. However, operating profit was 23,354 million yen (down 6.6% year on year) due to factors such as the further intensification of price competition.

Looking toward the near future, there are increasing uncertainties regarding the future of the global economy, such as the global spread of COVID-19 and unstable international situations centered on the US-China trade conflict. We must build a sturdy business structure that is not affected by external factors even under such circumstances. In June 2019, we announced our new product NXTR equipped with the world's first automatic component supply system, attained by pursuing further automation while also continuing the modular concept, which is a feature of our current leading product, NXT III. Additionally, using the core software, Nexim, as a base, we accelerated the establishment of "FUJI Smart Factory", which supports the introduction of IoT in customers' production lines, and are developing businesses that can bring excitement to our customers with both products and services.

#### Market environment and results for the fiscal year ended March 31, 2020

- Sales of equipment for smartphones and equipment for the 5G next-generation communication protocol, centered on China, increased significantly
- Capital investments, particularly automotive-related capital investment in Japan, Europe and Americas, were weak
- Announced NXTR, a new product that looks ahead to the future of smart factories

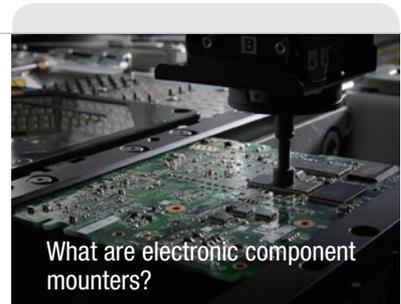
#### Product features/strengths

#### FUJI Smart Factory Platform

## NXTR



This is a high-end model that realizes the "three zeros concept" of "zero placement defects", "zero machine operators" and "zero machine stops", while continuing the modular concept of the NXT series.



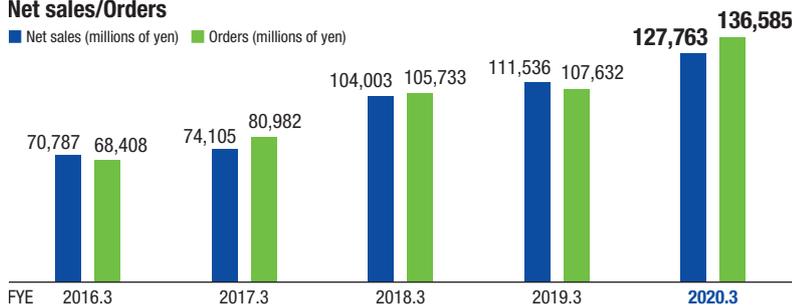
#### What are electronic component molders?

Our lives are surrounded by a variety of electronics, such as automobiles, consumer electronics and smartphones.

A molder is equipment that places electronic components, which differ in size and shape, onto the printed circuit boards that are essential for these electronics. Fuji has numerous high-speed, high-accuracy molder products, such as the NXT series in particular, which boasts industry-leading area productivity.

#### Net sales/Orders

■ Net sales (millions of yen) ■ Orders (millions of yen)



#### Operating profit/Operating profit ratio

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





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

**Hajime Ezaki**

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

In the fiscal year ended March 31, 2020, net sales for the segment were 10,840 million yen (down 30.8% year on year) and the operating loss was 637 million yen as a result of the impact of weak automotive sales, particularly in the Chinese and North American markets.

Going forward, we feel certain that capital investments for automation and streamlining will increase in the medium to long term, despite concerns that the weak economy will last longer due to the impact of the spread of COVID-19. In order to create a business structure that generates stable profit in the coming period of market recovery, we will strengthen our manufacturing capabilities.

At the new production building at the Toyota Plant which commenced operations from May 2019, as the mother factory of the Fuji Group, we are building a highly efficient production system that utilizes IoT. Furthermore, to increase competitiveness in the Chinese market, we began local production of CSD300 II, our new product that was announced in 2019, at Kunshan Fuji Machine Mfg. Co., Ltd. (Jiangsu, China).

We will work as one to be worthy of our customers' trust by realizing higher quality and support.

### Market environment and results for the fiscal year ended March 31, 2020

- Weak automotive-related capital investments in Chinese and North American markets
- Deteriorating economic situation in Japan and overseas, which includes the impact of the spread of COVID-19
- Production of new machine tool products commenced at Kunshan Fuji Machine Mfg. Co., Ltd.

### Product features/strengths

Front facing twin spindle lathe

**CSD 300 II**



Equipped with a high-speed three-axial gantry type robot, this is a compact front facing twin spindle lathe, which features high rigidity sliding capable of heavy-duty cutting and excellent thermal displacement performance.



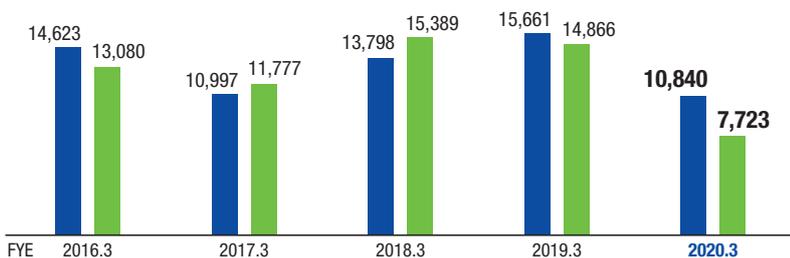
What are machine tools?

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

Fuji has a lineup of various machine tools, focusing on NC lathes primarily for the automotive industry.

### Net sales/Orders

■ Net sales (millions of yen) ■ Orders (millions of yen)



### Operating profit/Operating profit ratio

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





Senior Executive Officer;  
General Manager, Development Center

**Kimihiko Yasuda**

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

In addition to the further evolution of existing business and technologies, the creation of next-generation businesses is essential for Fuji to continue its growth as a robotics company. Using technologies cultivated over the many years, we introduced a number of innovative products into the market, such as the compact multijoint robot “SmartWing”, the atmospheric pressure plasma unit “Tough Plasma”, the mobility support robot “Hug”, and the public stocker system “Quist”. As part of our efforts to enhance the lineup to respond to market needs, in the fiscal year ended March 31, 2020, in addition to introducing a new model of “Hug” into the market, we also unveiled a new model of “SmartWing” as a reference exhibit at trade shows. Additionally, we strove to develop the following new businesses that look ahead to the future:

- Established FUJI LINEAR CORPORATION, which develops, manufactures, and sells linear motors, in February 2020
- Commenced operation of “e-Sys”, a platform to support the business of robot system integrators
- Commenced trial production of compact electronic equipment that utilizes “FPM-Trinity”, an electronic device printer
- Currently developing a medical robot jointly with ASAHI INTECC CO., LTD.

By accelerating such development, we are promoting the deep cultivation and strengthening of core technologies as well as the creation of innovative businesses, and increasing the value of the Fuji brand.

### 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

By irradiating with plasma before painting or applying adhesive, the bonding strength of adhesive and paint is improved. Heat-sensitive materials can be supported through low temperature processing. This contributes to developing parts and materials with various characteristics.



### Mobility support robot

From bed to wheelchair, or wheelchair to toilet seat; this support robot assists when needing to transfer to a sitting position or in situations where standing for a period of time is required, such as when 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

This next-generation delivery locker system enables users to receive goods ordered at online shopping sites or online supermarkets through making full use of IoT technology. This allows people to receive packages without stress regardless of their day to day schedule.

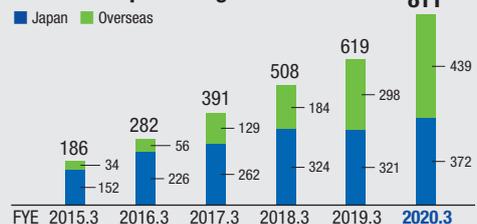


## Intellectual Property Strategy

### 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 800 in the fiscal year ended March 31, 2020. In the fiscal year ending March 31, 2021, we will continue to develop an intellectual property strategy that leads to strengthening competitiveness in order to lay out even stronger patent networks for preceding automation technologies, and to establish de facto standards that support our growth strategy.

#### Numbers of patent registrations





Board Member, Executive Officer;  
General Manager, Accounting Department

## Mitsuji Tatsumi

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

We are working to establish a leading brand in the industry through production and sales innovation in addition to a high level of investment in R&D, and we are aiming to increase our corporate value through strategic investments in peripheral and new businesses as well as active capital investment toward future growth. In principle, capital demands for this type of business development are funded with the Company's own funds.

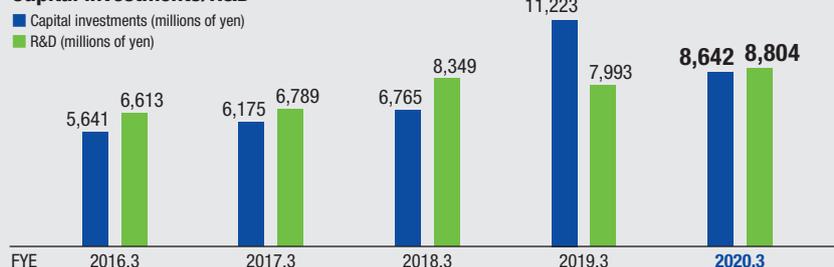
Furthermore, we consider the continuous return of profits to shareholders as one of the most important management measures, and will improve capital efficiency and maintain stable dividends.

With regard to strategic investments for future growth, large-scale investments such as those for constructing a new plant and acquiring the shares of a manufacturer of semiconductor manufacturing equipment were made from the fiscal year ended March 31, 2018 until the fiscal year ended March 31, 2019, but investments were mostly limited to those for upgrading machining equipment in the fiscal year ended March 31, 2020.

We will also pay attention to holding a large cash position to prepare for unforeseeable situations because there are concerns about risks of a credit crunch in the financial market if the impact of the current spread of COVID-19 causes economic activities to stagnate across the world for a more protracted time.

Moreover, we consider the acquisition of treasury stock an effective measure for improving capital efficiency, and will consider appropriate and flexible implementation, taking into account factors such as our performance and trends in the stock market and the economy.

#### Capital investments/R&D



### IR activities

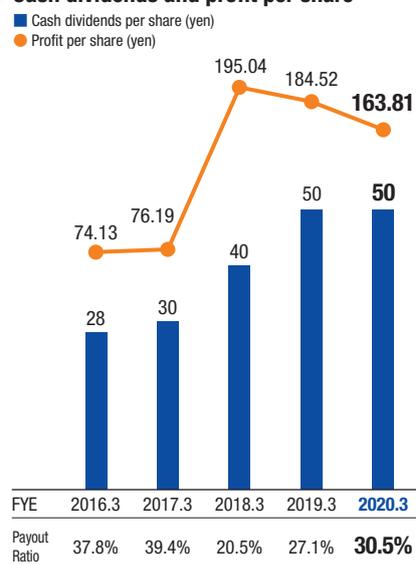
We strive to distribute profits appropriately and to disclose information in an appropriate, fair and timely manner in order to build long-term, stable relationships with our shareholders and investors.

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.

Activities	Fiscal year ended March 31, 2020	
	Number of times	Number of participants
Participate in IR events for individual investors	2	387
Hold quarterly financial result briefings for analysts and institutional investors	4	150
Hold meetings with analysts and institutional investors on an individual basis as needed	170	219
Participate in conferences for overseas institutional investors, hold meetings	2	31

#### Cash dividends and profit per share



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



Since its establishment in 1959, the Fuji Group has delivered products that support manufacturing sites around the world, such as machine tools and electronic assembly equipment, based on the guiding precept, “We will endeavor to work hard in research and development to provide excellent techniques to respond to customer confidence”.

Each and every one of us approach day-to-day corporate activities while valuing the strong bonds with shareholders, customers, business partners, local communities, etc.

The spirit of “SDGs”, initiatives for which have accelerated around the world recently, resonates with the “creation of new value and markets that contribute to the creation of a prosperous society”, which the Company has pursued persistently since establishment. Through these business activities, the Group will fulfill its corporate social responsibility with an eye toward sustainable development together with society.

## Environment

### Initiatives for the environment



#### Basic environmental plan

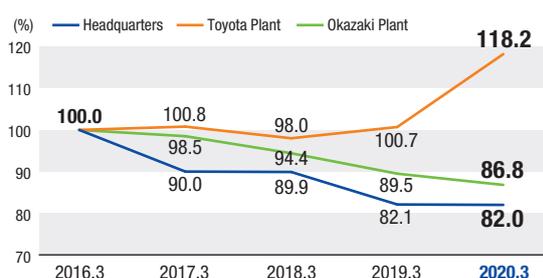
Positioning environmental preservation activities as an important management issue, we pursue such activities company-wide in order to leave a rich and beautiful natural environment for the next generation. We consider the environment in carrying out our business activities, recognizing that preservation 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)

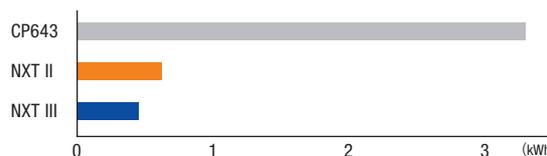
Activities	Targets for the financial year ending March 31, 2021
Measures to prevent global warming	Improving production efficiency and awareness-raising and promotion related to energy-saving activities Reduction of energy consumption per unit by 1% (compared to fiscal year ended March 31, 2020)
Promotion 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 ended March 31, 2016 as a benchmark)



#### 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. Compared to the CP-643, a machine of a previous series, the NXT III can produce the same volume using 12% of the electricity.



#### Topics Endorsement of “White Logistics” promotion activities

We endorse the intent of the “White Logistics” movement, which are promoted by the Ministry of Land, Infrastructure, Transport and Tourism, the Ministry of Economy, Trade and Industry, and the Ministry of Agriculture, Forestry and Fisheries, and made a declaration of voluntary action to realize a sustainable logistics environment. To create an environment where logistics operators can work comfortably while keeping in mind the preservation of the global environment, we are promoting the active utilization of reusable shipping containers with the aim of improving the quality of logistics and reducing packing materials.

Furthermore, by installing the public stocker system “Quist”, developed by the Company as one of its unique initiatives, at offices and commercial facilities, we are reducing parcel redeliveries for delivery service providers and contributing to the reduction of CO<sub>2</sub> emissions.

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

**Work style reforms and the promotion of health for employees**

**Gender and 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.

**Human resources development**

We are committed to junior and mid-career employee education. At the Sokaiyuku 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



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.

**Health and productivity**

In fiscal 2018 we made the Fuji Health and Productivity Declaration, which ties in to evaluations and improvements by building a system that promotes healthy business and makes the results of activities visible. As a result, we were recognized as one of the 2020 Certified Health & Productivity Management Outstanding Organizations (large enterprise category).

**Coexistence and education with local communities**

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". We are operating our after school English program "teracoya THANK" for local



elementary school children where they use English to learn science, fostering future global talents. Furthermore, we support local festivals, cultural activities, etc.

**Governance**

**Initiatives for governance**

**Basic concept**

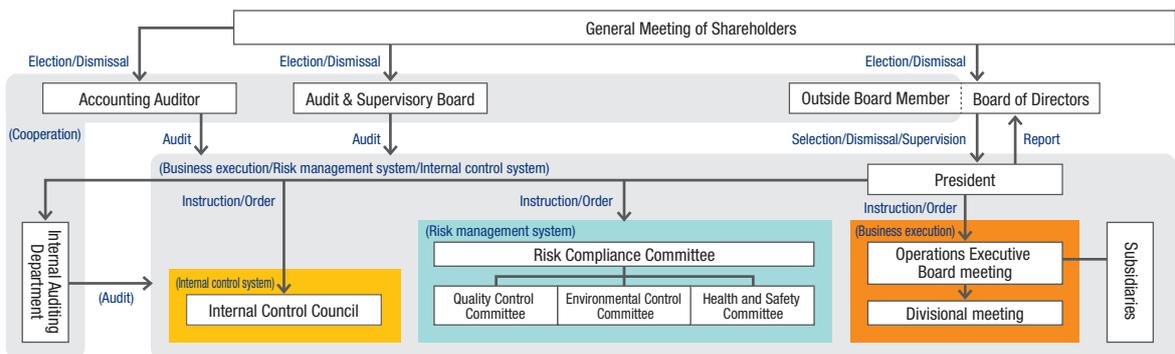
The Group views working to create higher corporate value for shareholders, customers, business partners, and employees to be the most important issue. Accordingly, the Group is working to establish and enhance fair and transparent management systems, an organizational structure that can respond to changes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

**Corporate governance system**

Number of Board Members	9 (including 3 Outside Board Members)
Number of Audit & Supervisory Board Members	3 (including 2 Outside Audit & Supervisory Board Members)
Number of Independent Board Members	5
Number of Board of Directors' meetings held in a year	13 (planned)
Term of office of Board Members (years)	1
Adoption of an executive officer system	Yes
Number of Executive Officers	10

As of June 26, 2020

**Composition of corporate governance system**



## Company Profile

### Overview

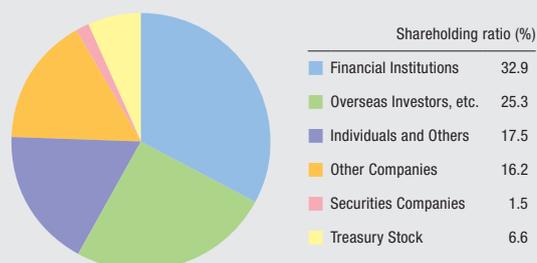
<b>Name</b>	FUJI CORPORATION	<b>Listed Markets</b>	First Section of the Tokyo Stock Exchange, First Section of the Nagoya Stock Exchange
<b>Headquarters</b>	19 Chausuyama, Yamamachi, Chiryu, Aichi, Japan	<b>Main Business</b>	Manufacturing and sales of electronic assembly equipment and machine tools
<b>Established</b>	April 1959	<b>Number of Employees</b>	Consolidated 2,493 Nonconsolidated 1,689 (as of March 31, 2020)
<b>Capital Stock</b>	5,879 million yen		

### Status of Shares (as of March 31, 2020)

<b>Total number of shares authorized to be issued</b>	390,000,000
<b>Total number of shares issued</b>	97,823,748
<b>Number of shareholders</b>	9,083
<b>Major shareholders (Top10)</b>	

Name	Number of shares held (thousands of shares)	Shareholding ratio (%)
Daido Life Insurance Co.	6,280	6.87
The Master Trust Bank of Japan, Ltd. (Trust account)	5,781	6.32
MUFG Bank, Ltd.	4,272	4.67
Japan Trustee Services Bank, Ltd. (Trust account)	3,806	4.16
Fuji customers stock ownership	2,982	3.26
NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT	1,913	2.09
Japan Trustee Services Bank, Ltd. (Trust account 5)	1,731	1.89
The Bank of Nagoya, Ltd.	1,554	1.70
Mitsubishi UFJ Trust and Banking Corporation	1,483	1.62
JP MORGAN CHASE BANK 385151	1,467	1.60

### 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 (6,479,108 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	Company name	Location	Established
ADTEK FUJI Co., Ltd.	Aichi, Japan	April 1977	Fuji America Corporation	U.S.	April 1970
EDEC LINSEY SYSTEM Co., Ltd.	Aichi, Japan	November 1992	Fuji Machine America Corporation	U.S.	November 1994
Fasford Technology Co., Ltd.	Yamanashi, Japan	March 2015	FUJI EUROPE CORPORATION GmbH	Germany	November 1991
FUJI LINEAR CORPORATION	Aichi, Japan	February 2020	Tower-Factory GmbH	Germany	February 2013
			Fuji Machine China Co., Ltd.	China	November 2007
			Kunshan Fuji Machine Mfg. Co., Ltd.	China	January 2012
			Fuji Do Brasil Maquinas Industriais Ltda.	Brazil	November 1995
			FUJI INDIA CORPORATION PRIVATE LIMITED	India	December 2019



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, 2020  
(from April 1, 2019 to March 31, 2020)