

( TRANSLATION )

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# Financial Results for the year Ended March, 2019

FANUC CORPORATION

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The forecasts described in this report are subject to uncertain factors such as supply and demand trends, industry competition, economic conditions, and others in major markets. Actual results may differ from these forecasts.

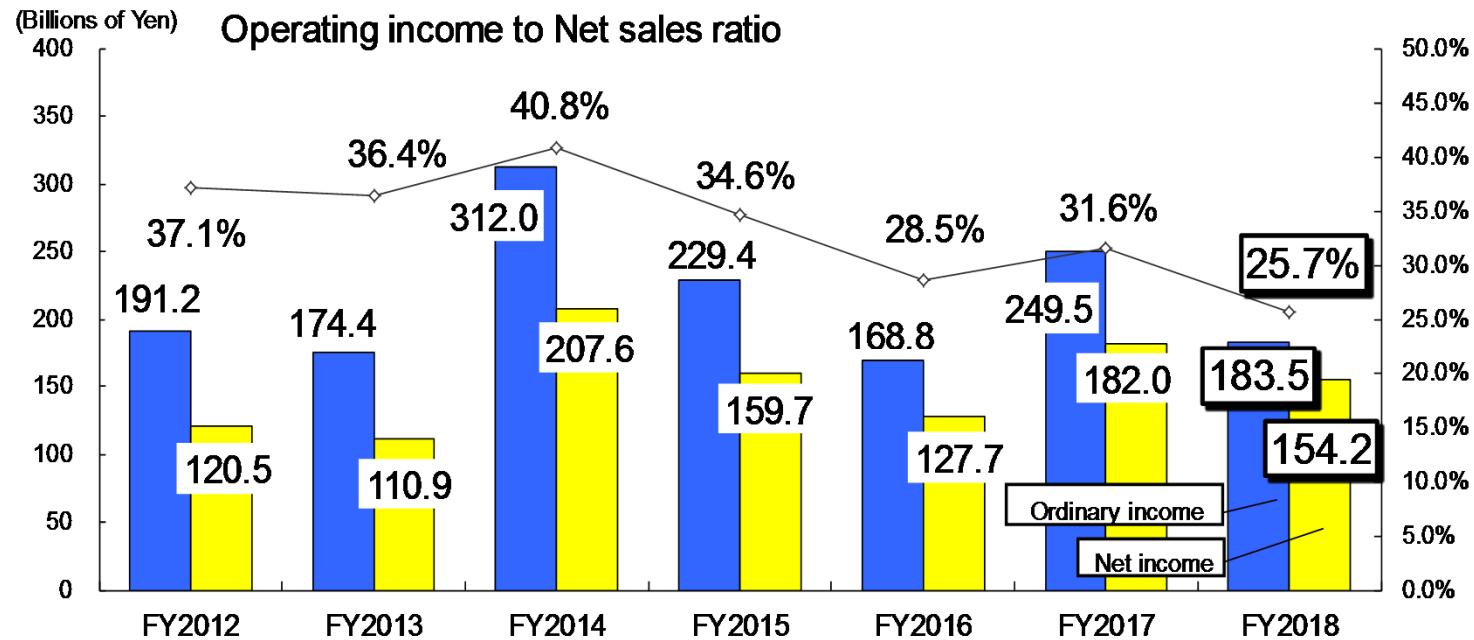
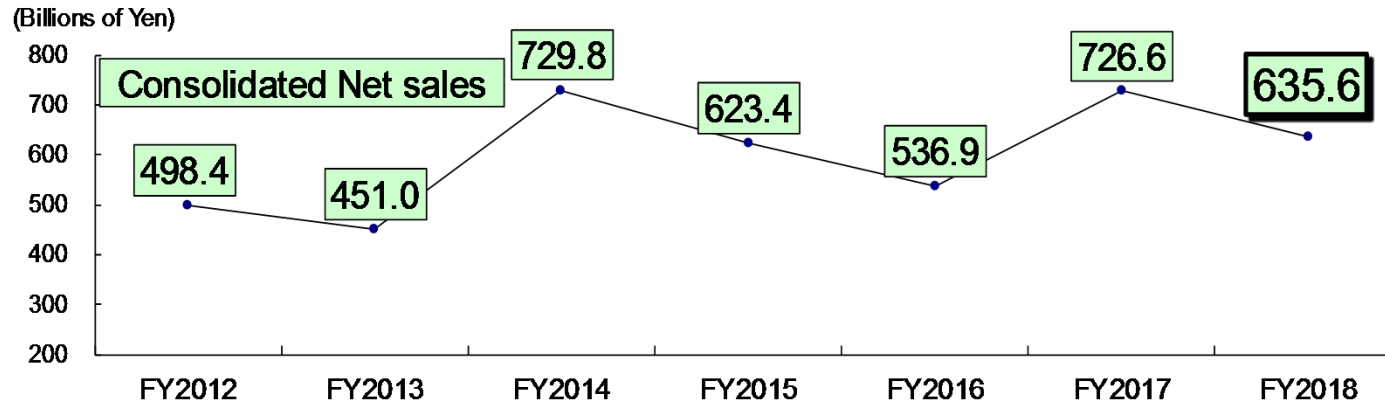
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Consolidated Financial Results for FY 2018

(Billions of Yen)	FY2017 Actual	FY2018 Forecast	FY2018 Actual	Change from FY2017	Change from Previous Forecast
Net sales	726.6	626.9	635.6	-12.5%	+1.4%
Cost of sales	398.4	377.2	369.8	-7.2%	-2.0%
【to Net sales】	54.8%	60.2%	58.2%		
Operating income	229.6	147.9	163.3	-28.9%	+10.4%
【to Net sales】	31.6%	23.6%	25.7%		
Ordinary income	249.5	164.0	183.5	-26.5%	+11.9%
【to Net sales】	34.3%	26.2%	28.9%		
Extraordinary income	-	25.1	25.1	-	-
Net income	182.0	141.9	154.2	-15.3%	+8.7%
【to Net sales】	25.0%	22.6%	24.3%		
FX Rate					
Yen/1USD	110.85	108.35	110.91	+0.1%	+2.4%
Yen/1EUR	129.70	127.12	128.41	-1.0%	+1.0%

※“Net income” means “Net income attributable to shareholders of parent company”. 2

Change in Consolidated Sales and Profit/Loss



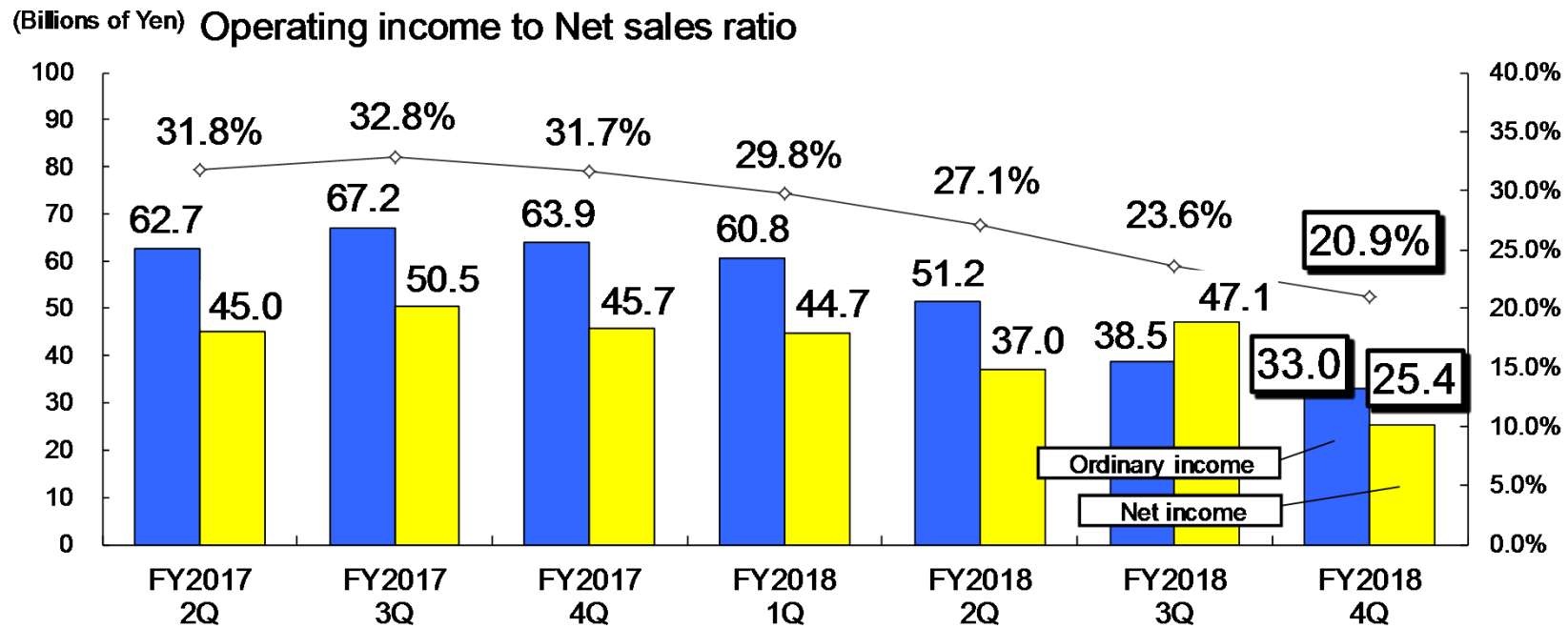
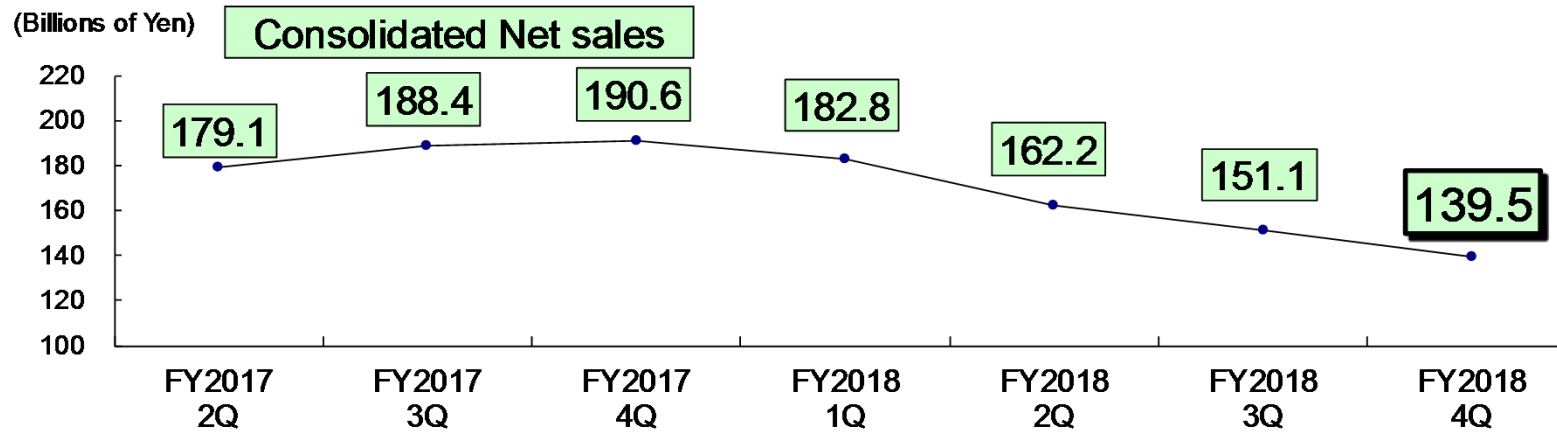
※“Net income” means “Net income attributable to shareholders of parent company”.

Consolidated Financial Results for the 4<sup>th</sup> Quarter (3 months) of FY 2018

(Billions of Yen)	FY2017 4Q (Jan~Mar)	FY2018 3Q (Oct~Dec)	FY2018 4Q (Jan~Mar)	Change from 4Q of FY2017	Change from 3Q of FY2018
Net sales	190.6	151.1	139.5	-26.8%	-7.7%
Cost of sales	102.7	88.8	84.3	-17.9%	-5.2%
【to Net sales】	53.9%	58.8%	60.4%		
Operating income	60.4	35.7	29.2	-51.6%	-18.2%
【to Net sales】	31.7%	23.6%	20.9%		
Ordinary income	63.9	38.5	33.0	-48.5%	-14.5%
【to Net sales】	33.5%	25.5%	23.6%		
Extraordinary income	-	25.1	-	-	-
Net income	45.7	47.1	25.4	-44.3%	-46.0%
【to Net sales】	24.0%	31.1%	18.2%		
FX Rate					
Yen/1USD	108.30	112.90	110.20	+1.8%	-2.4%
Yen/1EUR	133.22	128.78	125.15	-6.1%	-2.8%

※“Net income” means “Net income attributable to shareholders of parent company”. 4

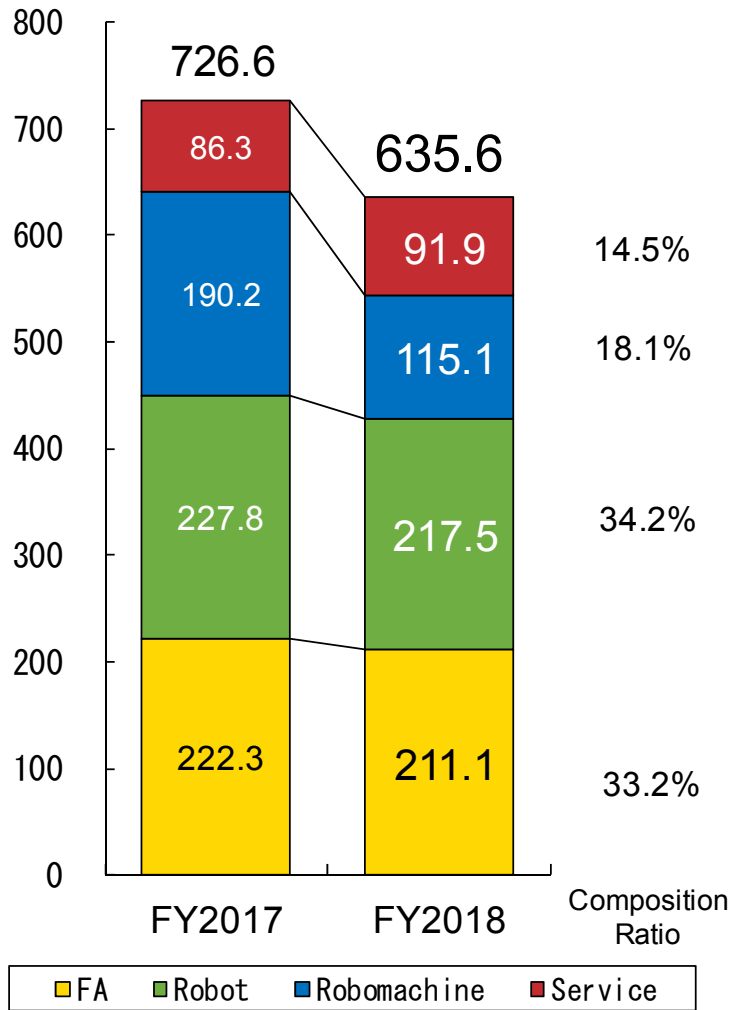
Quarterly Changes in Consolidated Sales and Profit/Loss



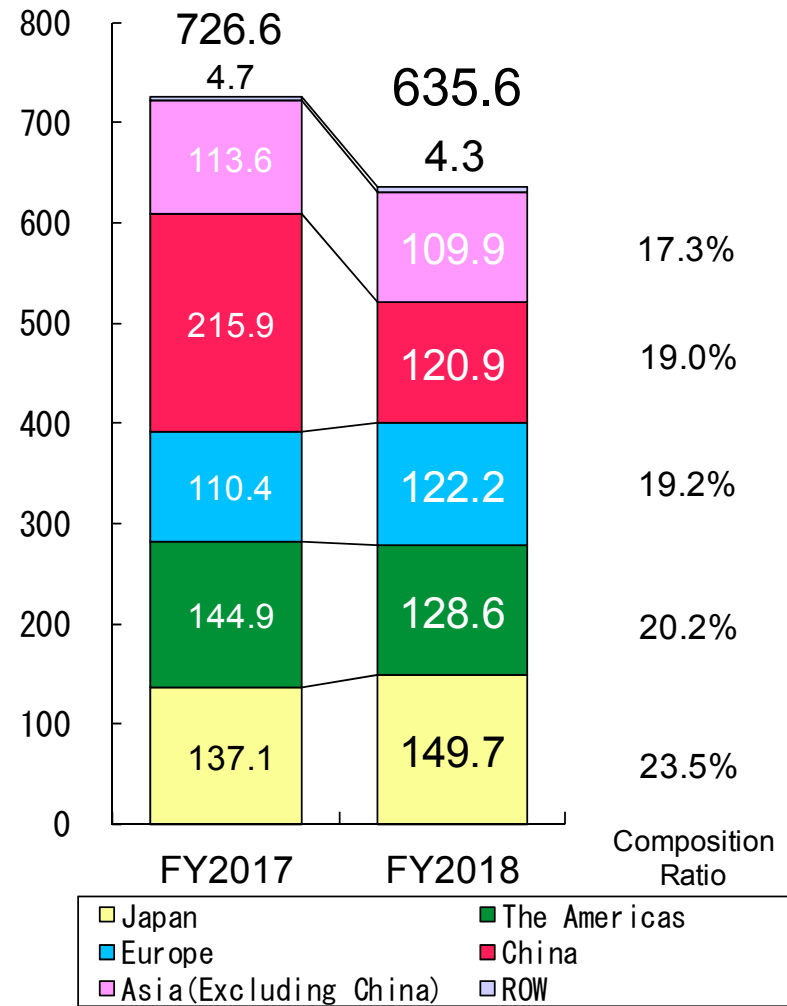
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# Yearly Changes in Sales by Division and Region

(Billions of Yen)

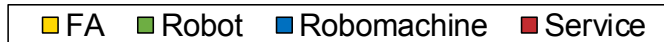
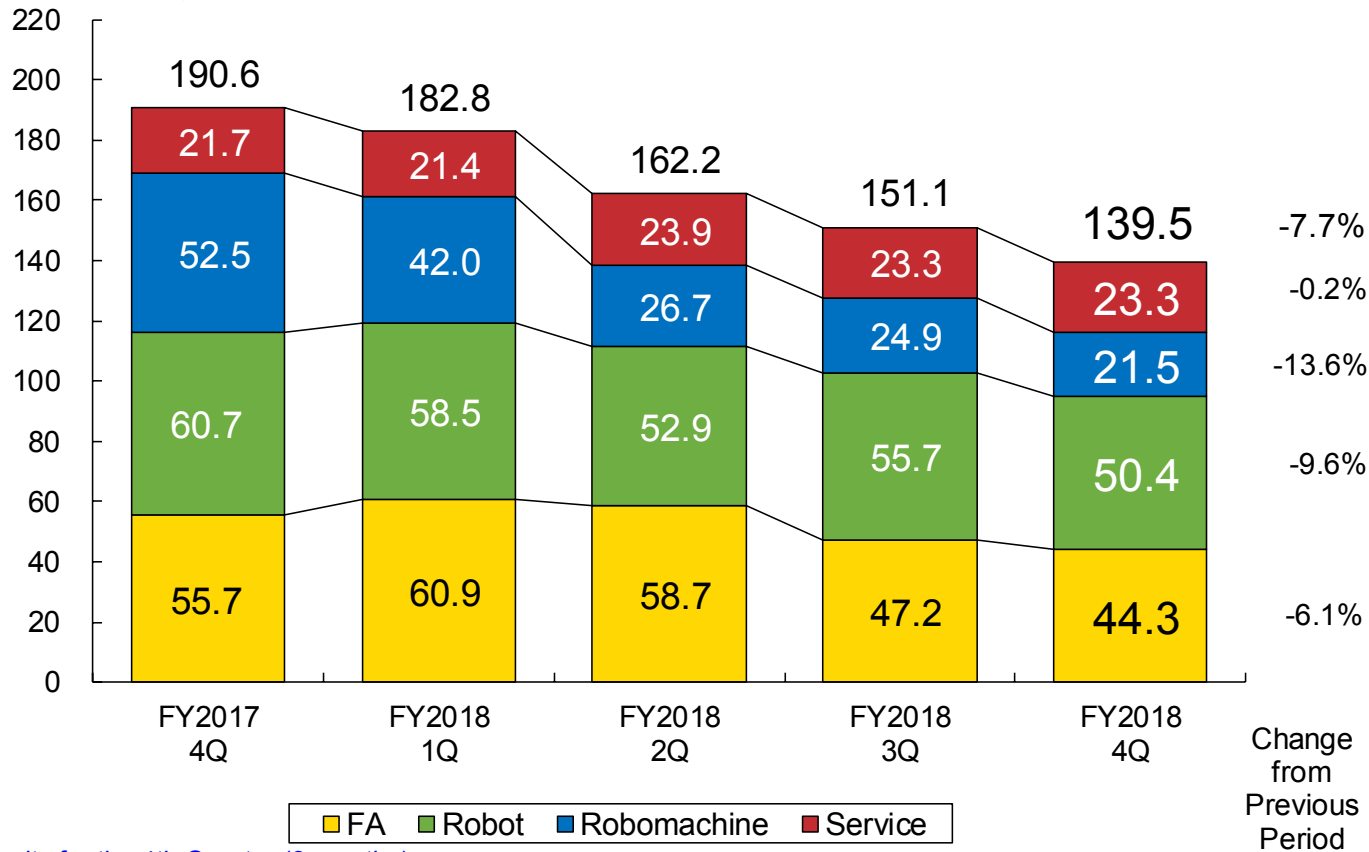


(Billions of Yen)



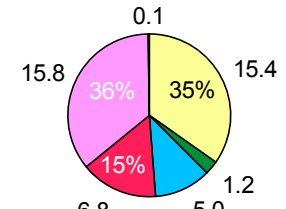
Consolidated Sales by Division

(Billions of Yen)

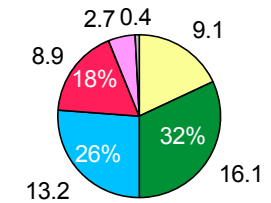


4Q of FY2018

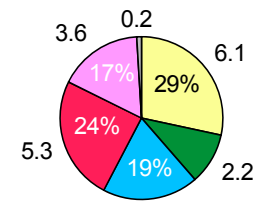
FA by Region



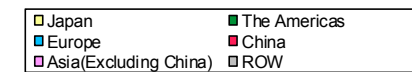
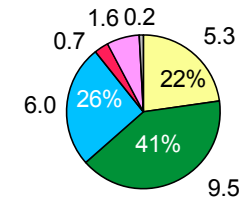
Robot by Region



Robomachine by Region



Service by Region

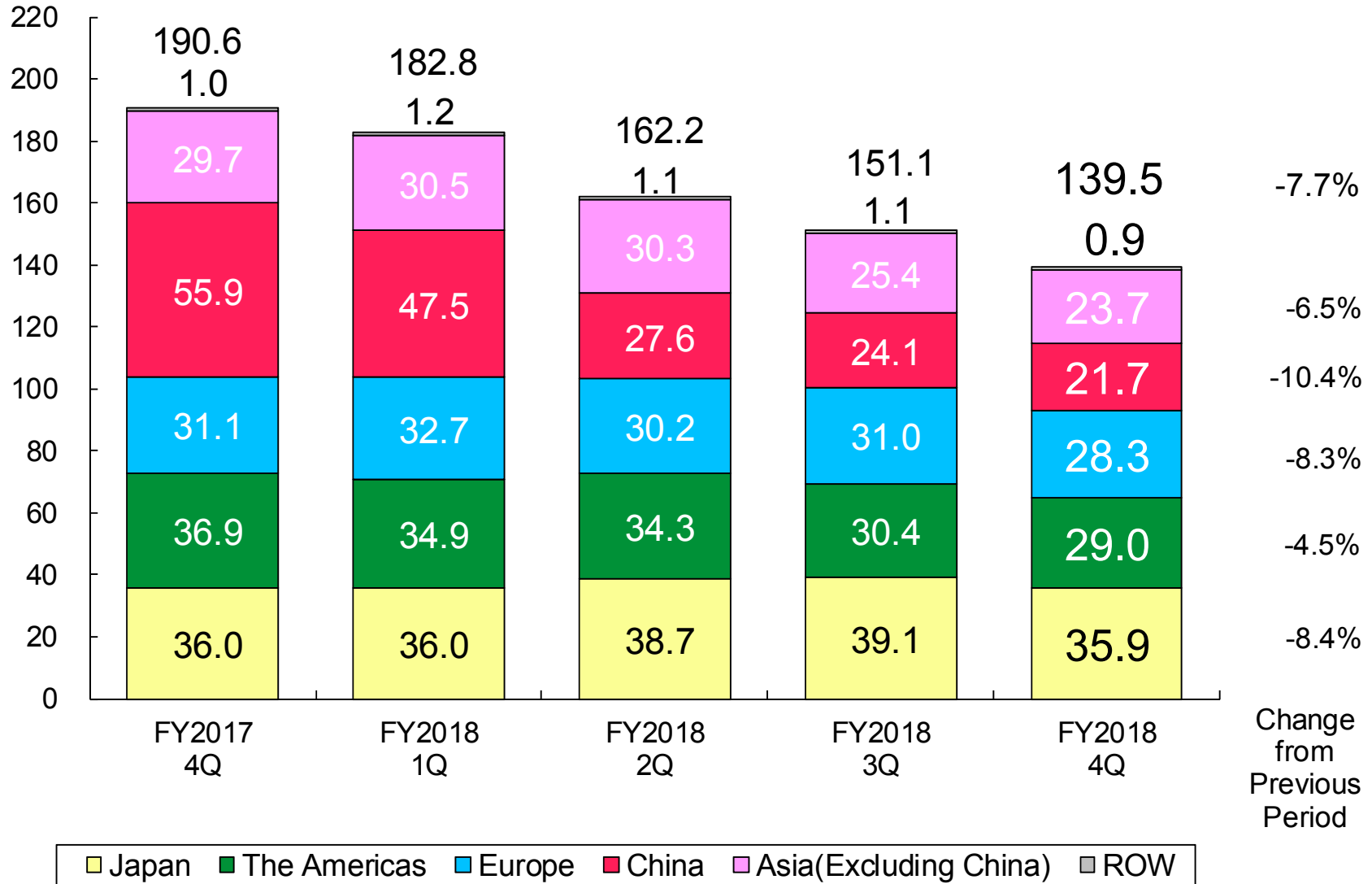


Results for the 4th Quarter (3 months)

- FA → Sales remained solid in Japan and Europe, but continued to be sluggish in China and Taiwan and slowed down in South Korea.
- ROBOT → A trough in capital investments remained in the automobile industry of the Americas and sales to general industries in China were weak. Sales were solid in Japan.
- ROBOMACHINE → Despite a continued lack of the short-term demand in the IT-related industry for the ROBODRILLS, other markets generally remained favorable. Sales of the ROBOSHOTS and the ROBOCUTs remained unchanged.

Consolidated Sales by Region

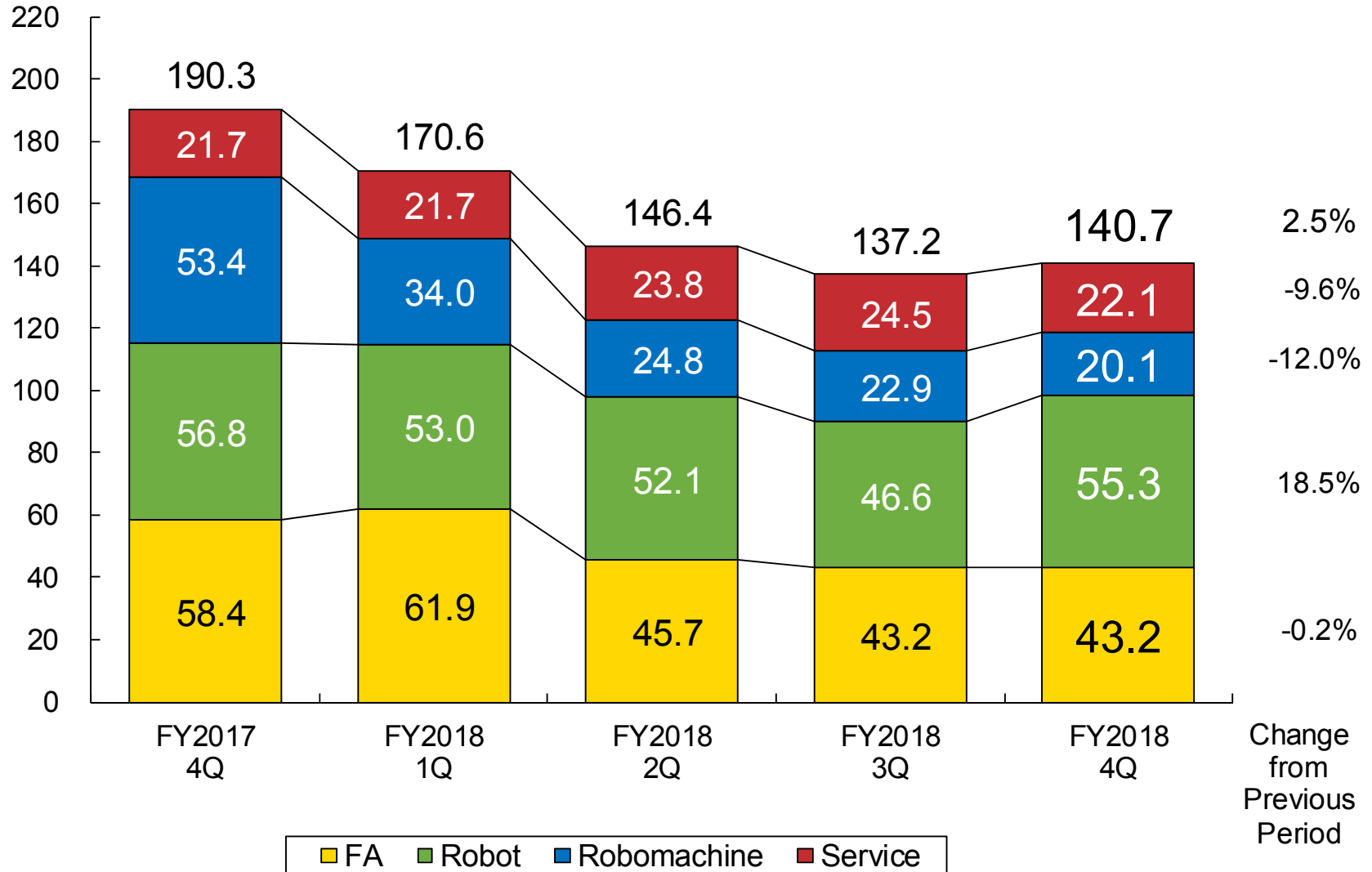
(Billions of Yen)



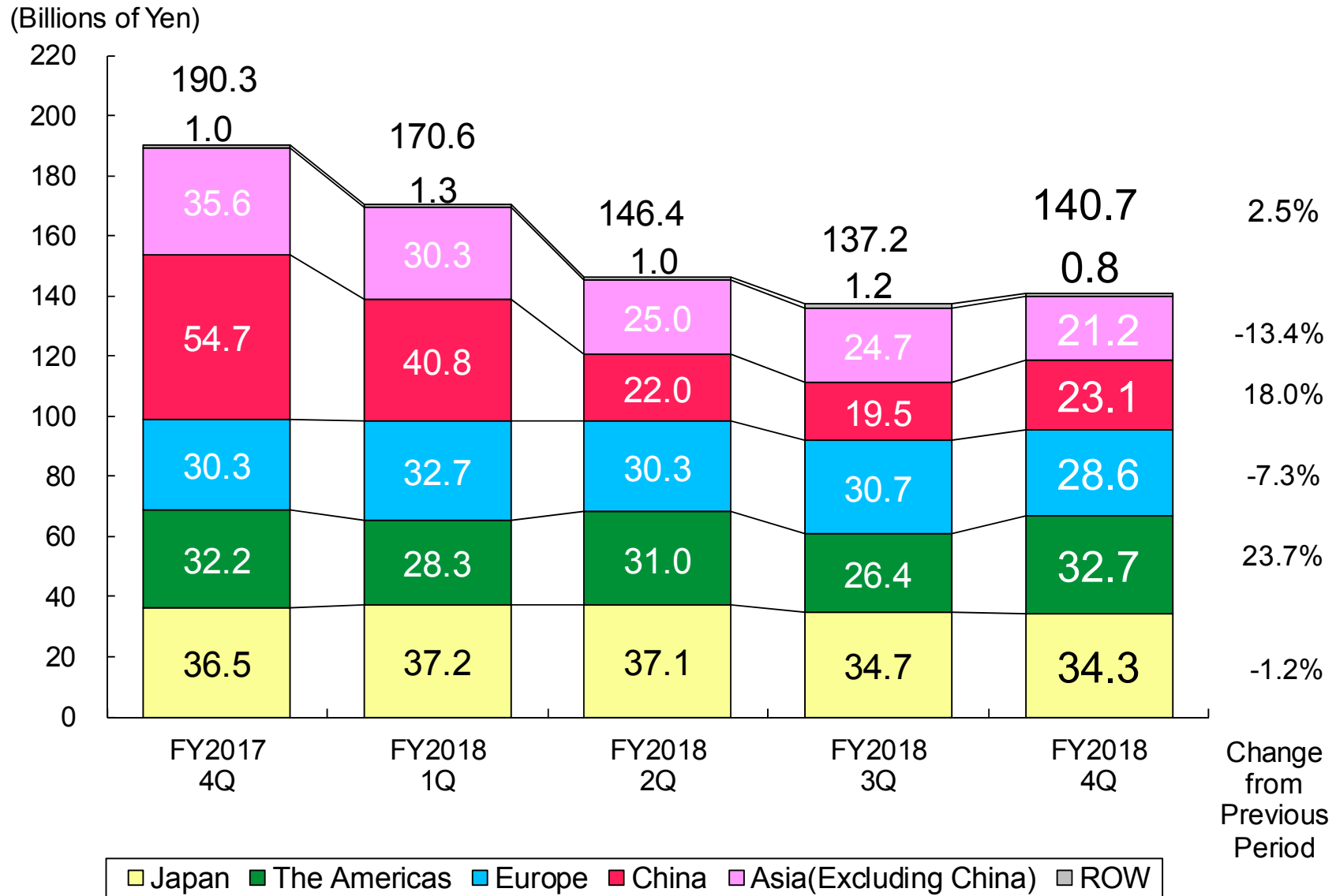


Consolidated Orders by Division

(Billions of Yen)



Consolidated Orders by Region

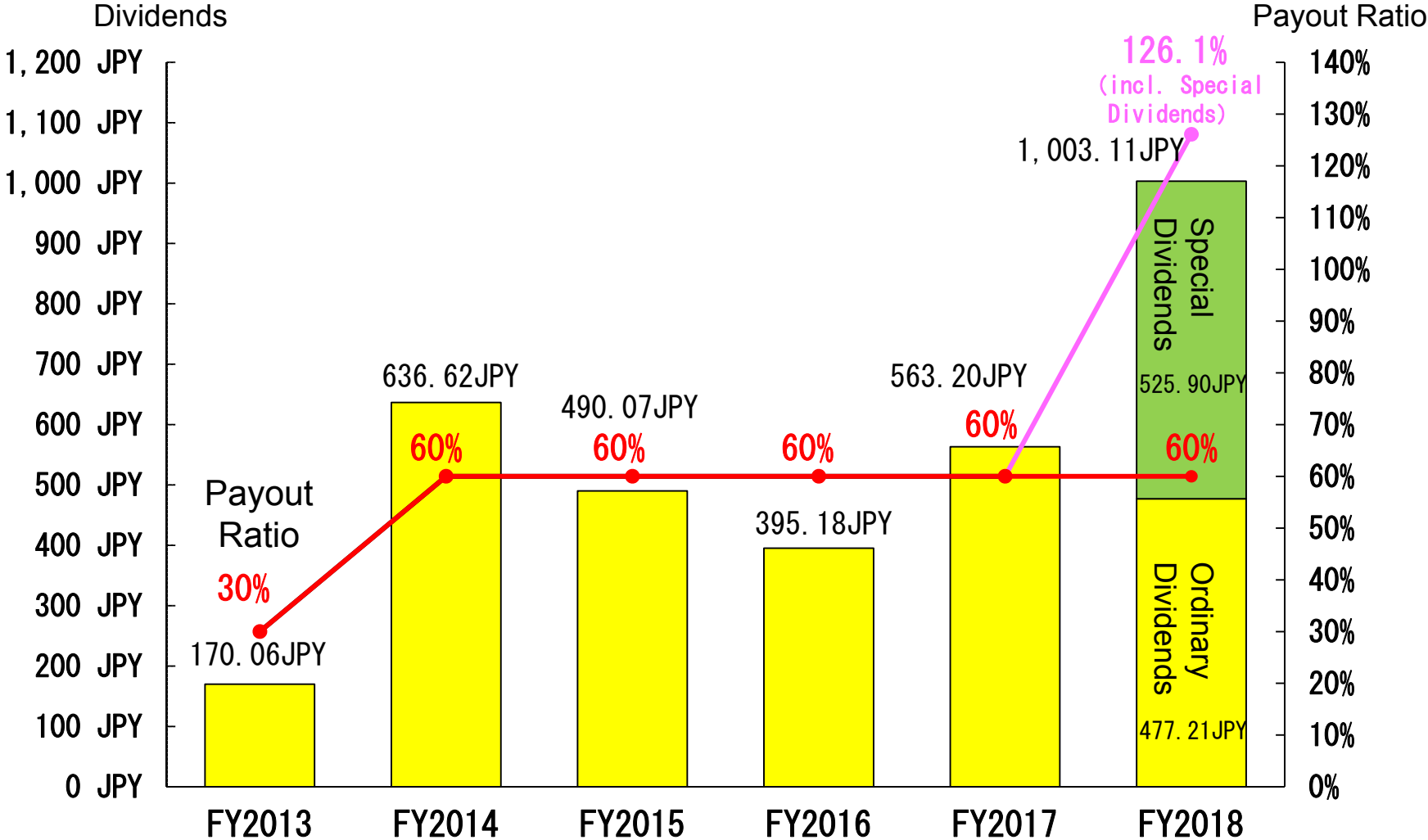


Consolidated Financial Forecast

(Billions of Yen)	FY2018	FY2019			Change from FY2018
	Full Year Actual	1st Half Forecast	2nd Half Forecast	Full Year Forecast	
Net Sales	635.6	266.4	270.5	536.9	-15.5%
Cost of sales 【to Net sales】	369.8 58.2%	175.9 66.0%	186.4 68.9%	362.3 67.5%	-2.0%
Operating income 【to Net sales】	163.3 25.7%	41.3 15.5%	34.4 12.7%	75.7 14.1%	-53.6%
Ordinary income 【to Net sales】	183.5 28.9%	44.8 16.8%	39.9 14.8%	84.7 15.8%	-53.8%
Extra ordinary income	25.1	-	-	-	-
Net Income 【to Net sales】	154.2 24.3%	31.2 11.7%	31.1 11.5%	62.3 11.6%	-59.6%
FX Rate					
Yen/1USD	110.91	100.00	100.00	100.00	-9.8%
Yen/1EUR	128.41	115.00	115.00	115.00	-10.4%

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# Annual Dividends



# Share Buyback

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FANUC to launch a share buyback program, with a volume of up to 50 billion JPY and 3 million shares.

Purpose : To maintain the flexibility and mobility of the company's capital policy, in response to changes in the management environment

(1) Method of share buyback :

Market purchase on the Tokyo Stock Exchange

(2) Buyback period : April 25, 2019 – July 31, 2019

## New Policy for Shareholder Returns

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Our basic policy for distributing profits to shareholders is as follows:

### 1. Dividends

We have set a dividend payout ratio of 60% as our basic policy.

### 2. Share buybacks

We will buy back our own shares in a flexible manner depending on the level of our stock price, taking into account the balance with our investments for growth.

### 3. Cancellation of treasury shares

We limit the number of our treasury shares to 5% of the total number of shares issued. As a general rule, we will cancel any portion exceeding that limit every fiscal year.