

Consolidated Quarterly Financial Results (based on Japanese standards)
For the nine months ended December 31, 2015

January 28, 2016

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 Stock code: 6954
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1. Consolidated Financial Results for the Nine months Ended December 31, 2015 (April 1, 2015 – December 31, 2015)

(1) Consolidated Results of Operations

(% represents change from the corresponding previous nine months period)

Nine months ended December 31	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company	
2015	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2014	487,591	(7.4)	172,831	(18.4)	185,413	(16.8)	127,301	(14.8)
	526,406	60.9	211,910	85.4	222,851	82.6	149,453	93.9

Note: Comprehensive income April-December 2015 ¥117,435 million (35.8)%
 April-December 2014 ¥182,934 million 55.5%

Nine months ended December 31	Net income per share, basic	Diluted net income per share
2015	Yen 650.70	Yen —
2014	763.82	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
December 31, 2015	Millions of yen 1,521,053	Millions of yen 1,351,745	88.4 %
March 31, 2015	1,611,626	1,386,695	85.6

Ref.: Equity: December 31, 2015 ¥1,344,617 million March 31, 2015 ¥1,379,177 million

2. Dividends

	Dividends per share				
	June 30	Sept. 30	Dec. 31	Mar. 31 (Year end)	Full year
2014	Yen —	Yen 144.69	Yen —	Yen 491.93	Yen 636.62
2015	—	281.86	—	—	—
2015 (forecast)	—	—	—	—	—

Note: We have not changed the forecasts of dividends from the latest ones.

Note: With regard to the forecasts of the year-end dividends for the year ending March 31, 2016, we expect to disclose them promptly after we become able to disclose them.

3. Consolidated Financial Results Forecasts for the Year Ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(% represents change from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company		Net income per share
Fiscal period	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	617,400	(15.4)	210,100	(29.5)	226,900	(27.3)	157,500	(24.1)	805.07

Note: We have changed the forecasts of financial results from the latest ones.

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2015
(Changes in specific subsidiaries requiring changes in scope of consolidation) : No

(2) Application of the accounting method specific to quarterly consolidated
financial statements : No

(3) Changes in accounting principles, changes in accounting estimates, and revisions/restatements

① Changes associated with changes in accounting standards : Applicable

② Changes in accounting principles other than ① : No

③ Changes in accounting estimates : No

④ Revisions/restatements : No

Note: For details, please see "3. Other Information (3) Changes in Accounting Principles, Changes in Accounting Estimates, and Revisions/Restatements" on Page 7 in Attachment.

(4) Number of shares outstanding (Common share)

① Number of shares outstanding at the end of the period (including treasury stocks)				
	December 31, 2015	205,942,215 shares	March 31, 2015	239,508,317 shares

② Number of treasury stocks				
	December 31, 2015	10,312,766 shares	March 31, 2015	43,863,212 shares

③ Average number of shares during the period				
	April-December 2015	195,636,338 shares	April-December 2014	195,664,394 shares

* Status of quarterly review

These quarterly financial results are not subject to the quarterly review based on the Financial Instruments and Exchange Law. The review process for the quarterly financial statements based on the Financial Instruments and Exchange Law has not been completed at the time of the disclosure of these results.

* Statements on the proper use of financial forecasts and other special notes

Any 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. With regard to the forecasts of the year-end dividends for the year ending March 31, 2016, we expect to disclose them promptly after we become able to disclose them.

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1. Results of Operations and Financial Position

(1) Results of Operations

Regarding the FANUC Group's results during the nine months from April to December 2015, for the FA Group, sales to the machine tool industry—the primary market for our products—remained largely unchanged in Europe and Americas. However, sales in China further slowed down, the impact of which has spread across Taiwan and South Korea as well. In addition, the FA Group saw a slight weakness in Japan at the end of the period. Under these circumstances, overall net sales for the FA Group decreased compared with the corresponding period of the previous fiscal year.

In the Robot Group, not only did demand remain high in the Americas and Europe, but were also active in China. As a result, these markets became the driving force for the overall sales growth. In addition, demands were steadily increasing in both the automotive industry and general industries in Japan, and on the whole, results for the Robot Group remained favorable.

For the Robomachine Group, affected by a significant decline in short-term demands from the IT industry, net sales of ROBODRILL (small machining center) fell significantly, compared with the previous fiscal year during which time demand was prevalent throughout the year. Nevertheless, sales of ROBODRILL to the automotive industry, as well as sales of ROBOSHOT (electric injection molding machine) and ROBOCUT (wire-cut electric discharge machine) all remained steady.

Under these circumstances, the FANUC Group strived to make customers trust our products and services to an even greater extent, by becoming united as one group under the slogans: "One FANUC", "It will not break. We'll inform you before it breaks. Even if it breaks, we'll fix it right away." and "Service First," so that we can achieve stability and further development in our business.

As a result, during the nine months from April to December 2015, FANUC posted consolidated net sales totaling ¥487,591 million, down 7.4%, consolidated ordinary income totaling ¥185,413 million, down 16.8%, and consolidated net income totaling ¥127,301 million, down 14.8%, compared with the corresponding period of the previous fiscal year.

Looking at the performance by business group, the FA Group posted consolidated sales totaling ¥133,874 million, down 13.1%, the Robot Group posted consolidated sales totaling ¥143,070 million, up 22.6%, the Robomachine Group posted consolidated sales totaling ¥148,849 million, down 25.4%, and the Service Group posted consolidated sales totaling ¥61,798 million, up 10.3%, compared with the corresponding period of the previous fiscal year.

※ "Net income" in "Results of Operations and Financial Position" means "Net income attributable to shareholders of parent company" in the Statement of Income.

(2) Financial Position

Total assets decreased ¥90,573 million to ¥1,521,053 million compared with the end of the previous fiscal year. The main decrease is ¥139,317 million in cash and deposits.

Total liabilities decreased ¥55,623 million to ¥169,308 million compared with the end of the previous fiscal year.

Total net assets decreased ¥34,950 million to ¥1,351,745 million from the end of the previous fiscal year.

We cancelled our treasury stock exceeding 5% of the total number of issued shares on June 10, 2015 (33,566,102 shares, ¥239,471 million) based on the new shareholder return policy we announced on April 27, 2015. (There was no effect on the amount of total net assets.)

(3) Financial Results Forecasts

There is increasing uncertainty about the prospects of the business environment surrounding the FANUC Group due to factors including continuous sluggish demands in China. Our financial forecasts at present for the fiscal year 2015 (April 1, 2015 through March 31, 2016) are set out below.

For the fiscal year 2015 (April 1, 2015 through March 31, 2016)

	Previous forecast (released on October 27, 2015)	New forecast	(Millions of yen) Comparison with Previous forecast (%)
Net sales	630,900	617,400	(2.1)
Operating income	218,400	210,100	(3.8)
Ordinary income	236,300	226,900	(4.0)
Net income	162,500	157,500	(3.1)

Note: The estimated currency rates applied to the period from January 2016 to March 2016 are 115 yen/US dollar and 125 yen/euro on average.

2. Consolidated Financial Statements
(1) Consolidated Quarterly Balance Sheet

(Millions of Yen)

	March 31, 2015	December 31, 2015
Assets		
Current assets:		
Cash and deposits	871,236	731,919
Notes and accounts receivable – trade	135,127	98,305
Securities	120,000	145,000
Merchandise and finished goods	54,280	56,000
Work in process	42,859	40,932
Raw materials and supplies	11,662	12,059
Deferred income tax	26,686	21,319
Others	13,669	13,537
Allowance for doubtful accounts	(2,164)	(1,728)
Total current assets	1,273,355	1,117,343
Noncurrent assets		
Property, plant and equipment		
Land	125,893	130,970
Other, net	140,032	192,832
Total property, plant and equipment	265,925	323,802
Intangible assets	950	3,147
Investments and other assets		
Investment securities	59,753	63,498
Others	11,643	13,263
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	71,396	76,761
Total noncurrent assets	338,271	403,710
Total Assets	1,611,626	1,521,053
Liabilities		
Current liabilities:		
Notes and accounts payable – trade	40,572	30,253
Income taxes payable	72,219	7,444
Warranty reserves	6,546	6,945
Others	53,274	72,226
Total current liabilities	172,611	116,868
Noncurrent liabilities		
Liability related to retirement benefits	47,534	49,232
Others	4,786	3,208
Total noncurrent liabilities	52,320	52,440
Total Liabilities	224,931	169,308
Net Assets		
Shareholders' equity		
Capital stock	69,014	69,014
Capital surplus	96,277	96,211
Retained earnings	1,500,635	1,237,151
Treasury stock	(312,855)	(73,755)
Total shareholders' equity	1,353,071	1,328,621
Accumulated other comprehensive income (loss)		
Valuation difference on available-for-sale securities	7,482	5,996
Foreign currency translation adjustment	29,372	21,698
Accumulated adjustment to retirement benefits	(10,748)	(11,698)
Total accumulated other comprehensive income (loss)	26,106	15,996
Non-Controlling Interests in Consolidated Subsidiaries	7,518	7,128
Total Net Assets	1,386,695	1,351,745
Total Liabilities and Net Assets	1,611,626	1,521,053

(2) Consolidated Quarterly Statement of Income and
Consolidated Quarterly Statement of Comprehensive Income

Consolidated Quarterly Statement of Income

(Millions of Yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	526,406	487,591
Cost of goods sold	256,414	253,517
Gross profit	269,992	234,074
Selling, general and administrative expenses	58,082	61,243
Operating income	211,910	172,831
Non-operating income		
Interest income	1,995	1,830
Dividend income	708	1,080
Equity method income	6,879	9,032
Miscellaneous income	1,799	2,012
Total non-operating income	11,381	13,954
Non-operating expenses		
Loss on sales and retirement of noncurrent assets	72	777
Donation	28	283
Miscellaneous expenses	340	312
Total non-operating expenses	440	1,372
Ordinary income	222,851	185,413
Income before income taxes	222,851	185,413
Income taxes-current	76,941	54,117
Income taxes-deferred	(4,249)	3,461
Total taxes and others	72,692	57,578
Net income	150,159	127,835
Net income attributable to non-controlling interests	706	534
Net income attributable to shareholders of parent company	149,453	127,301

Consolidated Quarterly Statement of Comprehensive Income

(Millions of Yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net income	150,159	127,835
Other comprehensive income		
Valuation difference on available-for-sale securities	819	(1,486)
Foreign currency translation adjustment	30,545	(6,608)
Adjustment to retirement benefit	312	(950)
Share of other comprehensive income of affiliates accounted for using equity method	1,099	(1,356)
Total other comprehensive income	32,775	(10,400)
Comprehensive income for the nine months ended December 31	182,934	117,435
Comprehensive income attributable to:		
Owners of parent	181,552	117,191
Non-controlling interests	1,382	244

3. Other Information

- (1) Changes in Significant Subsidiaries during the Nine Months Ended December 31, 2015 :
(changes in specific subsidiaries requiring changes in scope of consolidation): None
- (2) Application of the Accounting Method Specific to Quarterly Consolidated Financial Statements : None
- (3) Changes in Accounting Principles, Changes in Accounting Estimates, and Revisions/Restatements :

Changes in accounting principles
(Application of Accounting Standard for Business Combinations and other standards)

FANUC CORPORATION has adopted the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013, hereinafter the “Business Combinations Standard”), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013, hereinafter the “Consolidated Financial Statements Standard”), the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013, hereinafter the “Business Divestitures Standard”) and others effective from the first quarter of the consolidated fiscal year. Accordingly, the Company’s accounting policies have been changed: the difference arising from a change in the Company’s ownership interest in a subsidiary over which the Company continues to have control are being recorded as capital surplus, and acquisition costs are being expensed in the consolidated fiscal year in which they are incurred. In addition, for business combinations to be performed at and after the beginning of the first quarter of the consolidated fiscal year, the method has been changed to reflect adjustments to the provisional amount arising from the finalization of the tentative accounting treatment relating to the purchase price allocation in the consolidated financial statements for the quarter to which the date of business combination belongs.

In addition, the expression for quarterly net income, etc. has been changed, and “minority interests” has been changed to “non-controlling interests.” In order to reflect these changes, the consolidated financial statements for the nine-month period of the previous fiscal year, as well as the full-year period of the previous fiscal year have been reclassified.

The Business Combinations Standard and others were adopted in accordance with transitional treatments stipulated in Paragraph 58-2 (4) of the Business Combinations Standard, Paragraph 44-5 (4) of the Consolidated Financial Statements Standard and Paragraph 57-4 (4) of the Business Divestitures Standard, and they have been prospectively adopted from the beginning of the first quarter of the consolidated fiscal year.

This change has no impact on the consolidated financial statements of the third quarter of the current fiscal year.

(4) Note on Premise of a Going Concern:

None

(5) Note on the Substantial Change in the Shareholders' Equity:

Based on a resolution approved at a meeting of the Board of Directors held on May 29, 2015, the Company cancelled 33,566,102 shares of treasury stock on June 10, 2015. As a result, capital surplus decreased by ¥71 million, retained earnings decreased by ¥239,400 million, and treasury stock decreased by ¥239,471 million, for the nine months ended December 31, 2015.

Supplement to Consolidated Financial Results

1. Consolidated Results (April ~ December, 2015)

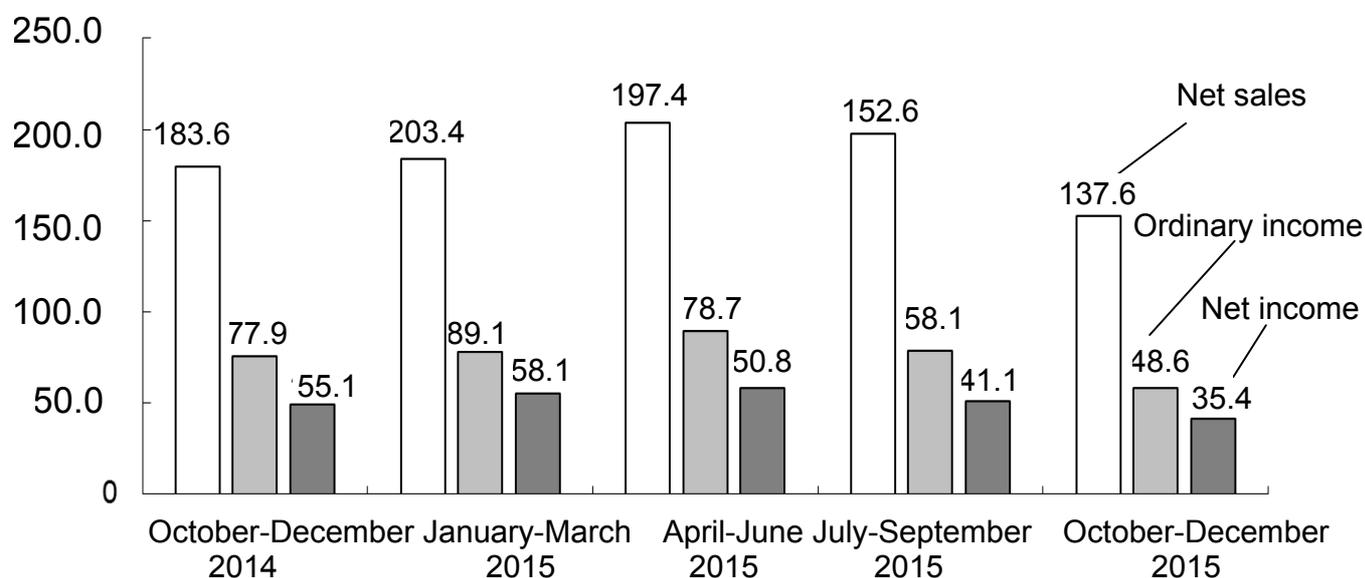
- 1) Net income 127.3 billion yen (15% down from the same period of last year)
- 2) Net sales 487.6 billion yen (7% down from the same period of last year)
- 3) Operating income 172.8 billion yen (18% down from the same period of last year)
Ordinary income 185.4 billion yen (17% down from the same period of last year)
Ordinary income to net sales ratio 38%
- 4) Sales by Group
 - FA 133.9 billion yen (13% down from the same period of last year)
 - Robot 143.1 billion yen (23% up from the same period of last year)
 - Robomachine 148.8 billion yen (25% down from the same period of last year)
 - Service 61.8 billion yen (10% up from the same period of last year)
- 5) Orders 455.4 billion yen (17% down from the same period of last year)

2. Consolidated Results Forecast for the Year ending March 31, 2016

(April 1, 2015 ~ March 31, 2016)

- Net sales 617.4 billion yen (15% down from the same period of last year)
- Operating income 210.1 billion yen (30% down from the same period of last year)
- Ordinary income 226.9 billion yen (27% down from the same period of last year)
- Net income 157.5 billion yen (24% down from the same period of last year)

3. Quarterly Changes of Consolidated Financial Results (Billions of yen)



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