

October 29, 2018

Company name: FANUC CORPORATION
Representative: Yoshiharu Inaba, Chairman
(Stock Code: 6954, 1st Section, Tokyo Stock Exchange)
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Notice Regarding Absorption-Type Merger of FANUC KIDEN LTD

At the Board of Directors meeting held on October 29, 2018, FANUC CORPORATION resolved to merge its wholly-owned subsidiary FANUC KIDEN LTD into FANUC CORPORATION as of January 1, 2019.

Since this merger is an absorption-type simplified merger of a wholly-owned subsidiary, the disclosure of certain items and details has been omitted.

1. Purpose of the merger

As a part of the efforts to reorganize and streamline the production system in FANUC Group, FANUC CORPORATION has decided to carry out welding, processing, etc. of the parts of our products such as ROBOSHOT by itself which FANUC KIDEN LTD has been doing.

2. Summary of the merger

(1) Schedule

October 29, 2018	Resolved by the Board of Directors Meeting for the Merger
October 29, 2018	Conclusion date of the Merger Agreement
January 1, 2019(planned)	Effective date of the Merger

(Note) The approval of the resolutions by the shareholders of FANUC CORPORATION and FANUC KIDEN LTD are not necessary for the merger, because FANUC CORPORATION will use the simplified merger procedure prescribed in Paragraph 2 of Article 796 of the Companies Act and FANUC KIDEN LTD will use the short form merger procedure prescribed in Paragraph 1 of Article 784 of the Companies Act.

(2) Method of merger

The method of the merger is an absorption-type company merger between FANUC CORPORATION (as the surviving company) and FANUC KIDEN LTD (as the absorbed company). FANUC KIDEN LTD will be dissolved.

(3) Allocations for the merger

Since this will be a merger of a wholly-owned subsidiary, there will be no issuance or allocation of shares or cash for the merger.

- (4) Stock acquisition rights and bonds with stock acquisition rights of the absorbed company
 FANUC KIDEN LTD is a private company and has not issued any stock acquisition rights or bonds with stock acquisition rights.

3. Outline of companies involved in the merger

	Surviving Company	Company to be absorbed
(1) Name of company	FANUC CORPORATION	FANUC KIDEN LTD
(2) Head office	3580, Shibokusa Aza-Komanba, Oshino-mura, Minamitsuru-gun, Yamanashi Prefecture	2576, Kamiyoshida Aza-shimoozano, Fujiyoshida-shi, Yamanashi Prefecture
(3) Representative	Yoshiharu Inaba Chairman	Takeshi Fukuroi President
(4) Major business segments	Development, manufacture, sale and maintenance services of CNC systems, lasers, Robots, ROBODRILL (small machining centers), ROBOSHOT (electric injection molding machines), ROBOCUT (wire-cut EDMs), and ROBONANO (ultra-precision machines)	Welding, and processing, etc. of the parts of our products such as ROBOSHOT
(5) Paid-in capital	¥69,014 million	¥290 million
(6) Date of establishment	May 12, 1972	April 1, 1987
(7) Total number of shares outstanding	204,040,771 shares	5,800 shares
(8) Fiscal term	March 31	March 31
(9) Name of major shareholders and their investment ratio	①The Master Trust Bank of Japan, Ltd. (Trust Account) 13.1% ②Japan Trustee Services Bank, Ltd. (Trust Account) 8.1% ④JPMorgan Chase Bank, N.A. 380072 3.3% ④State Street Bank and Trust Company 505001 2.6% ⑤Citibank, N.A. - NY, as Depository Bank for Depository Shareholders 2.3%	①FANUC CORPORATION 100%

(10) Operating results and financial conditions for the latest fiscal year		
	Surviving Company	Company to be absorbed
Fiscal year	Year ended March 31, 2018 (Consolidated)	Year ended March 31, 2018
Net assets	¥1,467,630 million	¥1,506 million
Total assets	¥1,729,080 million	¥1,655 million
Net assets per share	¥7,540.24	¥259,605
Net sales	¥726,596 million	¥629 million
Operating income	¥229,604 million	¥37 million
Ordinary income	¥249,525 million	¥50 million
Net income attributable to owners of parent	¥181,957 million	¥33 million
Net income per share	¥938.66	¥5,719

4. Outline of FANUC CORPORATION following the merger

Following this merger, there will be no change in the name of FANUC CORPORATION, the address of its head office, its representatives, its business scope, its paid-in capital or its fiscal year.

5. Outlook

The impact by the merger for the consolidated results of FANUC CORPORATION for the fiscal year ending March 31, 2019 is negligible.

(Reference) Consolidated Financial Forecasts for the Year Ending March 31, 2019 (October 29, 2018) and Consolidated Financial Results for the Year Ending March 31, 2018

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent
Consolidated Financial Forecasts for the Year Ending March 31, 2019	626,000	150,900	165,300	142,300
Consolidated Financial Results for the Year Ending March 31, 2018	726,596	229,604	249,525	181,957

End