

April 24, 2019

Company name: FANUC CORPORATION
 Representative: Kenji Yamaguchi, President
 (Stock Code: 6954, 1st Section, Tokyo Stock Exchange)
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Notice Concerning Distribution of Dividends from Surplus (including Special Dividends) to Shareholders

At a meeting held on April 24, 2019, the Board of Directors of FANUC CORPORATION resolved to propose an agenda asking for authorization to distribute dividends including special dividends (for the six months ended March 31, 2019) from surplus, with record date on March 31, 2019, at the 50th Annual General Shareholders' Meeting to be held in June, 2019.

1. Details of dividends

Record date	March 31, 2019		September 30, 2018	March 31, 2018
	Resolution	Previous Forecast	Past record	Past record
Dividends per share	Yen 404.92 (Ordinary dividends 224.34) (Special dividends 180.58)	—	Yen 598.19 (Ordinary dividends 252.87) (Special dividends 345.32)	Yen 297.75
Payout ratio (Consolidated)	108.3% (Ordinary dividends 60.0%) (Special dividends 48.3%)	—	141.9% (Ordinary dividends 60.0%) (Special dividends 81.9%)	60.0%
Total amount of dividends	Millions of Yen 78,486	—	Millions of Yen 115,950	Millions of Yen 57,715
Effective date	June 28, 2019	—	December 3, 2018	June 29, 2018
Dividend resource	Retained earnings	—	Retained earnings	Retained earnings

2. Reason for the dividend amount

Our basic policy of distributing profits to shareholders, announced on April 27, 2015, is as follows.

1. Dividends

In order to further enhance the distribution of profits to our shareholders in the long term, we have decided to implement a dividend payout ratio of 60% of our consolidated net income.

2. Share buybacks

We aim to buy back our own shares in a flexible manner depending on the level of our stock prices, taking into account the balance with our investment in growth, and where the Five-Year Average Total Return Ratio does not exceed 80%.

(Note) Five-Year Average Total Return Ratio means the ratio of the total combined amount of dividends and the total amount of share buybacks, over the total amount of our consolidated net income for a five-year period.

3. Cancellation of treasury shares

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

Since its announcement on April 27, 2015, we have carried out the distribution of profits to shareholders based on the above policy. For the year-end dividends of this fiscal year, we will pay the amount equivalent to about a half of the additionally required distribution amount (*) to realize a Five-Year Average Total Return Ratio of the maximum of 80% for the period of the last five years including this fiscal year as special dividends in place of a share buyback, in addition to the ordinary dividends of 60% of our consolidated second half net income.

(*) (The total amount of net income for each fiscal year from the fiscal year ended March 31, 2015 to the fiscal year ended March 31, 2019) × 20% - (the total amount of share buybacks and special dividends that were already carried out in each relevant fiscal year.)

As the result, the year-end dividend (planned) will be as follows.

	First half of FY 2018	Second half of FY 2018	FY 2018 in total
	Yen	Yen	Yen
Current term (FY 2018)			
Dividends per share	598.19	404.92	1,003.11
(Ordinary dividends)	(252.87)	(224.34)	(477.21)
(Special dividends)	(345.32)	(180.58)	(525.90)
Payout ratio	141.9%	108.3%	126.1%
(Ordinary dividends)	(60.0%)	(60.0%)	(60.0%)
(Special dividends)	(81.9%)	(48.3%)	(66.1%)
(Reference)			
Previous term (FY 2017)			
Dividends per share	265.45	297.75	563.20
Payout ratio	60.0%	60.0%	60.0%

End