

Consolidated Annual Financial Results

For the Year ended March 31, 2015

Corporate name: FANUC CORPORATION
 Stock code: 6954
 Stock exchange listing: Tokyo Stock Exchange
 URL: <http://www.fanuc.co.jp/>
 Representative: Yoshiharu Inaba, President and CEO
 Contact: Keisuke Fujii, Manager, Public Relations TEL (0555)84-5555
 Annual Meeting of Shareholders: June 26, 2015
 Start of cash dividend payments: June 29, 2015

1. Consolidated Financial Results for the Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	YoY change %	Millions of yen	YoY change %	Millions of yen	YoY change %	Millions of yen	YoY change %
2014	729,760	61.8	297,839	81.5	311,951	78.9	207,599	87.1
2013	450,976	(9.5)	164,134	(11.2)	174,360	(8.8)	110,930	(7.9)

Note: Consolidated comprehensive income for the year ended March 31, 2015 is ¥235,351 million, up 60.9%, and for the year ended March 31, 2014 is ¥146,267 million, down 1.6%.

	Net income per share	Net income per share (diluted)	Return on equity	Ordinary income-to-total capital ratio	Operating income-to-net sales ratio
	Yen	Yen	%	%	%
2014	1,061.02	-	16.1	21.1	40.8
2013	566.86	-	9.7	13.6	36.4

Note: Investment profit/(loss) on equity method for the year ended March 31, 2015 is ¥9,886 million and for the year ended March 31, 2014 is ¥5,452 million.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
2014	1,611,626	1,386,695	85.6	7,049.39
2013	1,343,904	1,199,863	88.8	6,102.20

Note: Equity capital for the year ended March 31, 2015 is ¥1,379,177 million and for the year ended March 31, 2014 is ¥1,194,032 million.

(3) Consolidated Cash Flow Position

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
2014	222,912	(24,926)	(47,314)	991,236
2013	125,559	(16,468)	(31,929)	823,669

2. Dividends

(Cut-off date)	Dividends per share					Total amount of dividends (full year)	Payout ratio (consolidated)	Dividends-to-net assets Ratio
	1st Quarter	2nd Quarter	3rd Quarter	Year-end Dividends	Full year			
2013	Yen —	Yen 76.80	Yen —	Yen 93.26	Yen 170.06	Millions of yen 33,278	% 30.0	% 2.9
2014	—	144.69	—	491.93	636.62	124,554	60.0	9.6
2015 (forecast)	—	—	—	—	—		—	

Note: The forecasts of the 2nd quarter-end and year-end dividends for the year ending March 31, 2016, will be disclosed promptly upon their availability.

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

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2 nd Quarter (Cumulative)	384,000	12.0	159,400	15.2	166,900	15.1	114,100	20.9	583.20
Fiscal period	680,100	(6.8)	264,600	(11.2)	279,400	(10.4)	191,200	(7.9)	977.28

Note: “%” denotes the increase/decrease against the same period of the previous year.

*Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2015

(changes in specific subsidiaries that caused change in scope of consolidation) : None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

1. Changes in accounting policies with revision of accounting standards : Yes
2. Changes in accounting policies other than the above : None
3. Changes in accounting estimates : None
4. Revision restatements : None

Note: For more details, please see “Changes in accounting principles” on Page 15 in Attachment.

(3) Number of shares outstanding (Common shares)

1. Number of shares outstanding at the end of the period (including treasury stocks)

March 31, 2015	239,508,317 shares	March 31, 2014	239,508,317 shares
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2. Number of treasury stocks

March 31, 2015	43,863,212 shares	March 31, 2014	43,836,033 shares
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3. Average number of shares during the period

March 31, 2015	195,660,546 shares	March 31, 2014	195,692,880 shares
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(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Non-Consolidated Results of Operations

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2014	554,448	70.9	230,427	88.6	264,534	98.3	181,327	108.4
2013	324,469	(20.3)	122,194	(24.9)	133,428	(22.6)	86,998	(21.8)

	Net income per share	Net income per share (diluted)
	Yen	Yen
2014	926.74	-
2013	444.56	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
2014	1,317,514	1,160,363	88.1	5,930.96
2013	1,118,523	1,025,253	91.7	5,239.64

Note: Equity capital for the year ended March 31, 2015 is ¥1,160,363 million and for the year ended March 31, 2014 is ¥1,025,253 million.

- * This report of the annual financial results is not subject to auditing in accordance with the Financial Instruments and Exchange Act. At the time of the disclosure of these results, the financial statements herein have not been audited.
- * 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 financial forecasts, please refer to “② Financial forecast for the year ending March 31, 2016” on Page 3 in Attachment. The forecasts of the 2nd quarter-end and the year-end dividends for the year ending March 31, 2016, will be disclosed promptly upon their availability.

Attachment

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1. Business Results

(1) Analysis of Business Results

① Business Results for the Period Ending March 31, 2015

The world economy improved during this period with continuous recovery and expansion in the Americas and signs of revitalization becoming prevalent in Europe. In Asia, despite risks of a downturn in China, the economy recovered mildly. The economy in Japan witnessed a mild upward trend as well. In markets surrounding the FANUC Group, an upsurge in capital investments in the machine tool industries in Japan and Asia, as well as in the automotive industry in the Americas, propelled demands, and demands continued to flow in vigorously from a segment in the IT industry throughout the period. Against such a background, the FANUC Group has intensified its unity in endeavoring to attain stability and prosperity in its business, as well as to win more trust from customers regarding our products and services.

As a result, during the fiscal year ended March 31, 2015, FANUC posted consolidated net sales totaling ¥7,297,60 million, up 61.8%, consolidated ordinary income totaling ¥311,951 million, up 78.9%, and consolidated net income totaling ¥207,599 million, up 87.1%, compared with the previous fiscal year.

This year, we acquired new land for factories in Mibu-machi, Tochigi Prefecture, in order to fortify our future production capacity.

The following is a summary of the results for each business division:

[FA Division]

The machine tool industry, the primary market for FANUC CNC systems, entertained high demands not only in Japan but in Asian countries, namely, China. Demands increased steadily in Europe as well.

FANUC laser sales remained the same domestically and abroad.

The FA Division posted consolidated sales of ¥252,585 million, up 13.4 % compared with the previous fiscal year, and FA Division sales accounted for 34.6 % of consolidated net sales.

[Robot Division]

In overseas markets, the sales of robots continued to increase in the American markets and remained favorable in Europe. Sales were steady in Asian markets, with focus on China, and also in Japan.

The Robot Division posted consolidated sales of ¥181,988 million, up 23.9 % compared with the previous fiscal year. Robot Division sales accounted for 24.9 % of consolidated net sales.

[ROBOMACHINE Division]

The sales of the ROBODRILL (small machining center) increased substantially due to what were short-term demands from a sector in the IT industry being active throughout the period, bringing about a sharp increase in sales. Sales in other industries within Japan and overseas increased steadily.

The sales of ROBOSHOTS (electric injection molding machine) increased steadily mainly in Japan and Asia.

The sales of ROBOCUTs (wire-cut electric discharge machine) increased steadily mainly in Japan and Europe.

As a result, the ROBOMACHINE Division posted consolidated sales of ¥295,187 million, up 262.3 % compared with the previous fiscal year. ROBOMACHINE Group sales accounted for 40.5 % of consolidated net sales.

② Financial forecast for the year ending March 31, 2016

In the new fiscal year, short-term demands from a sector in the IT industry, which was highly active in the previous fiscal year, is expected to subside, making the future obscure.

The present forecast for consolidated financial results for the year ending March 31, 2016 is as follows:

Financial forecast for the year ending March 31, 2016

(Millions of yen)

	Amount	Comparison with Previous year (%)
Net sales	680,100	△6.8
Operating income	264,600	△11.2
Ordinary income	279,400	△10.4
Net income attributable to shareholders of parent company	191,200	△7.9

Note: The currency rate applied to the period from April 1, 2015 to March 31, 2016 is averaged at 115 yen/US dollar and 120 yen/Euro.

(2) Analysis of Financial Status

[Financial Status]

Total assets were ¥1,611,626 million, up ¥267,722 million. This was mainly due to the increase in securities (negotiable deposits) of ¥119,907 million, increase in cash and bank deposits of ¥47,566 million, and increase in bills receivable and accounts receivable of ¥43,429 million, compared with the previous fiscal year.

Total liabilities were ¥224,931 million, up ¥80,890 million compared with the previous fiscal year.

Net assets were ¥1,386,695 million, up ¥186,832 million compared with the previous fiscal year.

[Cash Flow]

Consolidated cash flow for this fiscal period amounted to ¥167,097 million, up ¥72,302 million from the previous fiscal year. This amount is derived from the increase/decrease in the cash flow described

below, plus an addition of ¥16,425 million due to gains from currency exchange. As a result, the balance of cash and cash equivalents amounted to ¥991,236 million.

(Cash Flow in Sales Activities)

Cash obtained from sales activities during this period amounted to ¥222,912 million, up ¥97,353 million compared with the previous fiscal year. This is mainly due to the increase in net profits before adjustments for tax and others.

(Cash Flow in Investment Activities)

Cash used for investment activities during this period amounted to ¥24,926 million, up ¥8,458 million compared with the previous fiscal year. This is mainly due to the increase in the acquisition of tangible fixed assets.

(Cash Flow in Financial Activities)

Cash used for financial activities during this period amounted to ¥47,314 million, up ¥15,385 million compared with the previous fiscal year. This is mainly due to the increase in dividends.

(3) Basic Policy on Return of Profit to Shareholders and Dividends for the Current Fiscal Year

As our basic policy of distributing profits to shareholders, we will target a dividend payout ratio of 60% of our consolidated net profit for the full fiscal year. We also aim to buy back our own shares in a flexible manner, and where the Five-Year Average Total Return Ratio(*) does not exceed 80%.

1. Dividends

We declared, and have maintained, a dividend payout ratio of 30% of our consolidated net profit for the full fiscal year since the fiscal year ending March 2007 up to the present date. In order to further enhance the distribution of profits to our shareholders in the long term, we have decided, as our basic policy, to implement a dividend payout ratio of 60% of our consolidated net profit, starting from the fiscal year ending March 2015.

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%.

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.

(*)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 profit for a five-year period.

Dividends for this period are scheduled as follows:

	First half	Second half (forecast)	Full year (forecast)	Payout ratio
Current period (fiscal year ending March 31, 2015)	Yen 144.69	Yen 491.93	Yen 636.62	60.0%
(Reference) Previous period (fiscal year ending March 31, 2014)	Yen 76.80	Yen 93.26	Yen 170.06	30.0%

2. Management Policy

(1) Basic Management Policy

FANUC was the first private company to succeed in the development of NC's and servomechanism in Japan, and ever since this success in 1956, has consistently pursued automation in factories.

With its three pillars consisting of the FA business, which comprises FANUC's basic technology of NC and servos, the ROBOT and ROBOMACHINE businesses which apply this basic technology, FANUC contributes to the manufacturing industry in Japan and overseas by promoting automation and efficiency in manufacturing.

(2) Challenges

The FANUC Group will reconfirm its origins as a producer of equipment to be used in manufacturing sites, and shall be thorough in implementing our slogan of, "Reliable / Predictable / Easy to Repair" in product development, in order to minimize downtime in our customers' factories and improve operability.

Furthermore, we shall practice our basic philosophy of "Service First" in providing (1) high-level services based on FANUC's global standard anywhere in the world, and (2) "life-long maintenance" for as long as our customers use our products.

In addition, under the slogan of "One FANUC", we shall take maximum advantage of our unique strength in uniting our FA, Robot and ROBOMACHINE divisions to jointly provide total solutions and take care of customers throughout the world.

By becoming united as one group in promoting such actions, we shall venture to make customers feel more secure and trust the FANUC Group even more, resulting in the stability and growth of our core business, so that we shall persevere as a company.

3. Basic Way of Thinking Regarding the Choice of Accounting Standards

In consideration of enabling the comparison of consolidated financial statements for designated periods and comparison with other companies, FANUC will continue its policy of generating consolidated financial statements according to Japanese standards.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

	(Millions of yen)	
	March 31, 2014	March 31, 2015
Assets		
Current assets		
Cash and deposits	823,670	871,236
Notes and accounts receivable-trade	91,698	135,127
Securities	93	120,000
Merchandise and finished goods	43,857	54,280
Work in process	35,559	42,859
Raw materials and supplies	8,079	11,662
Deferred tax assets	20,706	26,686
Others	6,059	13,669
Allowance for doubtful accounts	(1,920)	(2,164)
Total current assets	<u>1,027,801</u>	<u>1,273,355</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	96,985	95,024
Machinery, equipment and vehicles, net	34,834	30,075
Land	117,543	125,893
Other, net	13,111	14,933
Total property, plant and equipment	<u>262,473</u>	<u>265,925</u>
Intangible assets		
Goodwill	3,689	-
Others	524	950
Total intangible assets	<u>4,213</u>	<u>950</u>
Investments and other assets		
Investment securities	41,744	59,753
Others	7,674	11,643
Allowance for doubtful accounts	(1)	(0)
Total investments and other assets	<u>49,417</u>	<u>71,396</u>
Total noncurrent assets	<u>316,103</u>	<u>338,271</u>
Total assets	<u>1,343,904</u>	<u>1,611,626</u>
Liabilities		
Current liabilities		
Notes and accounts payable-trade	26,192	40,572
Income taxes payable	30,787	72,219
Warranty reserves	5,409	6,546
Others	37,061	53,274
Total current liabilities	<u>99,449</u>	<u>172,611</u>
Noncurrent liabilities		
Liability related to retirement benefits	40,456	47,534
Others	4,136	4,786
Total noncurrent liabilities	<u>44,592</u>	<u>52,320</u>
Total liabilities	<u>144,041</u>	<u>224,931</u>
Net assets		
Shareholders' equity		
Capital stock	69,014	69,014
Capital surplus	96,270	96,277
Retained earnings	1,340,809	1,500,635
Treasury stock	(312,299)	(312,855)
Total shareholders' equity	<u>1,193,794</u>	<u>1,353,071</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,112	7,482
Foreign currency translation adjustment	3,138	29,372
Accumulated adjustment to retirement benefits	(8,012)	(10,748)
Total accumulated other comprehensive income	<u>238</u>	<u>26,106</u>
Minority interests	5,831	7,518
Total net assets	<u>1,199,863</u>	<u>1,386,695</u>
Total liabilities and net assets	<u>1,343,904</u>	<u>1,611,626</u>

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

Consolidated Statement of Income

	(Millions of yen)	
	Years ended March 31	
	2014	2015
Net sales	450,976	729,760
Cost of sales	<u>227,189</u>	<u>350,746</u>
Gross profit	<u>223,787</u>	<u>379,014</u>
Selling, general and administrative expenses	<u>59,653</u>	<u>81,175</u>
Operating income	<u>164,134</u>	<u>297,839</u>
Non-operating income		
Interest income	2,300	2,628
Dividends income	1,290	1,037
Investment profit on equity method	5,452	9,886
Miscellaneous income	<u>2,270</u>	<u>2,147</u>
Total non-operating income	<u>11,312</u>	<u>15,698</u>
Non-operating expenses		
Loss on sales of investment securities	150	-
Loss on sales and retirement of noncurrent assets	163	906
Sales discount	94	110
Donation	336	144
Miscellaneous expenses	<u>343</u>	<u>426</u>
Total non-operating expenses	<u>1,086</u>	<u>1,586</u>
Ordinary income	<u>174,360</u>	<u>311,951</u>
Income before income taxes and minority interests	<u>174,360</u>	<u>311,951</u>
Income taxes-current	62,036	111,261
Income taxes-deferred	<u>812</u>	<u>(8,162)</u>
Total income taxes	<u>62,848</u>	<u>103,099</u>
Income before minority interests	<u>111,512</u>	<u>208,852</u>
Minority interests in income	<u>582</u>	<u>1,253</u>
Net income	<u>110,930</u>	<u>207,599</u>

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Years Ended March 31	
	2014	2015
Income before minority interests	111,512	208,852
Other comprehensive income		
Valuation difference on available-for-sale securities	2,171	2,370
Foreign currency translation adjustment	26,987	22,178
Adjustment to retirement benefit	–	(2,736)
Share of other comprehensive income of affiliates accounted for using equity method	<u>5,597</u>	<u>4,687</u>
Total other comprehensive income	<u>34,755</u>	<u>26,499</u>
Comprehensive income	<u>146,267</u>	<u>235,351</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	145,139	233,467
Comprehensive income attributable to minority interests	1,128	1,884

(3) Consolidated Statement of Changes in Shareholders' Equity, Etc.

Year ended March 31, 2014 (April 1, 2013 – March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2013	69,014	96,268	1,261,572	(311,636)	1,115,218
Accumulated change due to changes in accounting policies					–
Balance at March 31, 2013 after adjustment of changes in accounting policies	69,014	96,268	1,261,572	(311,636)	1,115,218
Changes during this term:					
Dividends of retained earnings			(31,086)		(31,086)
Net income			110,930		110,930
Change by merger			(607)		(607)
Change of consolidation range					–
Purchase of treasury stock				(665)	(665)
Disposal of treasury stock		2		2	4
Changes during this term not related to shareholders' equity (net)					
Total changes during this term	–	2	79,237	(663)	78,576
Balance at March 31, 2014	69,014	96,270	1,340,809	(312,299)	1,193,794

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency exchange adjustment	Accumulated adjustment to retirement benefits	Total accumulated other comprehensive income		
Balance at March 31, 2013	2,941	(28,899)	–	(25,958)	4,869	1,094,129
Accumulated change due to changes in accounting policies						–
Balance at March 31, 2013 after adjustment of changes in accounting policies	2,941	(28,899)	–	(25,958)	4,869	1,094,129
Changes during this term:						
Dividends of retained earnings						(31,086)
Net income						110,930
Change by merger						(607)
Change of consolidation range						–
Purchase of treasury stock						(665)
Disposal of treasury stock						4
Changes during this term not related to shareholders' equity (net)	2,171	32,037	(8,012)	26,196	962	27,158
Total changes during this term	2,171	32,037	(8,012)	26,196	962	105,734
Balance at March 31, 2014	5,112	3,138	(8,012)	238	5,831	1,199,863

Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2014	69,014	96,270	1,340,809	(312,299)	1,193,794
Accumulated change due to changes in accounting policies			(1,452)		(1,452)
Balance at March 31, 2014 after adjustment of changes in accounting policies	69,014	96,270	1,339,357	(312,299)	1,192,342
Changes during this term:					
Dividends of retained earnings			(46,559)		(46,559)
Net income			207,599		207,599
Change by merger					–
Change of consolidation range			238		238
Purchase of treasury stock				(559)	(559)
Disposal of treasury stock		7		3	10
Changes during this term not related to shareholders' equity (net)					
Total changes during this term	–	7	161,278	(556)	160,729
Balance at March 31, 2015	69,014	96,277	1,500,635	(312,855)	1,353,071

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency exchange adjustment	Accumulated adjustment to retirement benefits	Total accumulated other comprehensive income		
Balance at March 31, 2014	5,112	3,138	(8,012)	238	5,831	1,199,863
Accumulated change due to changes in accounting policies						(1,452)
Balance at March 31, 2014 after adjustment of changes in accounting policies	5,112	3,138	(8,012)	238	5,831	1,198,411
Changes during this term:						
Dividends of retained earnings						(46,559)
Net income						207,599
Change by merger						–
Change of consolidation range						238
Purchase of treasury stock						(559)
Disposal of treasury stock						10
Changes during this term not related to shareholders' equity (net)	2,370	26,234	(2,736)	25,868	1,687	27,555
Total changes during this term	2,370	26,234	(2,736)	25,868	1,687	188,284
Balance at March 31, 2015	7,482	29,372	(10,748)	26,106	7,518	1,386,695

(4) Consolidated Statements of Cash Flow

(Millions of yen)

	Years Ended March 31	
	2014	2015
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	174,360	311,951
Depreciation and amortization	18,394	21,685
Increase (decrease) in allowance for doubtful accounts	123	223
Increase (decrease) in provision for retirement benefits	(28,475)	–
Increase (decrease) in liability related to retirement benefits	40,090	6,081
Interest and dividends income	(3,590)	(3,665)
Equity in (earnings) losses of affiliates	(5,452)	(9,886)
Decrease (increase) in notes and accounts receivable–trade	(4,418)	(37,331)
Decrease (increase) in inventories	(9,488)	(17,712)
Increase (decrease) in notes and accounts payable–trade	2,159	11,723
Other, net	(3,189)	1,266
Subtotal	<u>180,514</u>	<u>284,335</u>
Interest and dividends income received	5,596	6,379
Income taxes paid	(61,262)	(68,891)
Other, net	711	1,089
Net cash provided by (used in) operating activities	<u>125,559</u>	<u>222,912</u>
Net cash provided by (used in) investing activities		
Purchase of tangible fixed assets	(16,623)	(21,427)
Other, net	155	(3,499)
Net cash provided by (used in) investing activities	<u>(16,468)</u>	<u>(24,926)</u>
Net cash provided by (used in) financing activities		
Purchase of treasury stock	(661)	(549)
Cash dividends paid	(31,100)	(46,568)
Other, net	(168)	(197)
Net cash provided by (used in) financing activities	<u>(31,929)</u>	<u>(47,314)</u>
Effect of exchange rate change on cash and cash equivalents	<u>17,633</u>	<u>16,425</u>
Net increase (decrease) in cash and cash equivalents	<u>94,795</u>	<u>167,097</u>
Cash and cash equivalents at beginning of period	727,751	823,669
Net increase in cash and cash equivalents due to new consolidation	–	470
Net increase in cash and cash equivalents due to merger of consolidated and nonconsolidated subsidiaries	<u>1,123</u>	<u>–</u>
Cash and cash equivalents at end of period	<u>823,669</u>	<u>991,236</u>

- (5) Notes to Consolidated Financial Statements
 (Note on the basis for the concern assumed to be ongoing)
 Not applicable

(Changes in accounting principles)
 (Application of Accounting Standard for Retirement Benefits)

FANUC CORPORATION has applied the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No.26 of May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 of March 26, 2015) to the main clause stipulated in Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits since the fiscal year.

Under the new standard, the calculation of liabilities for retirement benefits and service costs has been revised and the method of attributing expected benefits to periods has been changed from straight-line basis to benefit formula basis. The determination of the discount rate has been changed as well.

In accordance with transitional accounting as stipulated in Article 37 of the Accounting Standard for Retirement Benefits, the effect of the changes in accounting policies arising from the revision of liabilities for retirement benefits and service costs is recognized in retained earnings, at the beginning of the fiscal year.

As a result of adjustments, liability related to retirement benefits have increased by 2,234 million yen, and retained earnings have decreased by 1,452 million yen at the beginning of the fiscal year. The impact on the profit/loss of the fiscal year is negligible.

Net assets per share decreased by 7.42 yen.

(Segment Information etc.)

1. Segment Information

Year ended March 31, 2014 (April 1, 2013 – March 31, 2014) and
 Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

FANUC Group focuses on the development, production, and sales of CNC systems and related application products based on FANUC's CNC system technologies as a comprehensive supplier of factory automation (FA) systems. Ultimately, FANUC CNC systems and the related application products are used in automated production systems.

FANUC Group uses CNC's and servo motors in its entire products. For this reason, the decision on investment is made, taking into consideration the statuses of orders, sales and production of all products, in addition to the status of particular products.

As mentioned above, FANUC Group runs only one business segment based on the decision that the entire group makes for investment. Thus, the segment information is not stated herein.

2. Relevant Information

Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(1) Information by product and service

	Millions of yen			
	FA	Robot	Robomachine	Total
Sales to outside customers	252,585	181,988	295,187	729,760

(2) Information by region

◎ Sales

					Millions of yen
Japan	The Americas	Europe	Asia	Others	Total
123,593	124,057	87,970	391,577	2,563	729,760

Note: Sales are broken down by country or region where customers are located.

◎ Tangible Fixed Asset

As the tangible fixed assets located in Japan constitute more than 90% of those stated in the consolidated balance sheet, the statement on the information on tangible fixed assets is omitted.

(Information per share)

Fiscal year 2013 (April 1, 2013 – March 31, 2014)		Fiscal year 2014 (April 1, 2014 – March 31, 2015)	
Net assets per share	6,102.20 yen	Net assets per share	7,049.39 yen
Net income per share	566.86 yen	Net income per share	1,061.02 yen
Net diluted income per share is not stated herein as there exist no dilutive shares.		Net diluted income per share is not stated herein as there exist no dilutive shares.	

Note: Net income per share is calculated based on the followings:

	Fiscal year 2013 (April 1, 2013–March 31, 2014)	Fiscal year 2014 (April 1, 2014–March 31, 2015)
Net income (Millions of yen)	110,930	207,599
Net income assigned to common share (Millions of yen)	110,930	207,599
Amount not accruing to common shares (Millions of yen)	-	-
Average number of shares outstanding (Thousands of share)	195,693	195,661

(Significant subsequent events)

None

(Lease transactions, Marketable securities, Derivative transactions, Business combinations, and etc.)

No major moves that are required to disclose in the Annual Financial Results Report.

Supplement to Consolidated Financial Results

- 1 Consolidated Results (April 1, 2014 ~ March 31, 2015)
 - 1) Net income 207.6 billion yen (87% up from the previous fiscal year)
 - 2) Net sales 729.8 billion yen (62% up from the previous fiscal year)
 - 3) Operating income 297.8 billion yen (81% up from the previous fiscal year)
 Ordinary income 312.0 billion yen (79% up from the previous fiscal year)
Ordinary income to net sales ratio 42.7%
 - 4) Sales by Group

FA	252.6 billion yen (13% up from the previous fiscal year)
Robot	182.0 billion yen (24% up from the previous fiscal year)
Robomachine	295.2 billion yen (262% up from the previous fiscal year)
 - 5) Orders 769.1 billion yen (59% up from the previous fiscal year)
- 2 Consolidated Results Forecast for the Year ending March 31, 2016
 (April 1, 2015 ~ March 31, 2016)

Net sales	680.1 billion yen (7% down from the same period last year)
Operating income	264.6 billion yen (11% down from the same period last year)
Ordinary income	279.4 billion yen (10% down from the same period last year)
Net income	191.2 billion yen (8% down from the same period last year)
- 3 Changes of Consolidated Financial Results (Billions of yen)

