

## (TRANSLATION)

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### Consolidated Quarterly Financial Results

(based on Japanese standards)

For the six months ended September 30, 2021

October 27, 2021

Company name: FANUC CORPORATION Stock exchange listing: Tokyo Stock Exchange  
Stock code: 6954 URL: <https://www.fanuc.co.jp/eindex.html>  
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Scheduled date of filing quarterly report: November 8, 2021

Scheduled date of commencing of dividend payments: December 1, 2021

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled

1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 1, 2021 – September 30, 2021)

(1) Consolidated Results of Operations

(% represents changes from the previous corresponding Six-month period.)

Six months ended September 30	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
2021	351,490	52.5	93,922	190.6	107,822	182.1	78,649	179.8
2020	230,411	(11.7)	32,321	(34.1)	38,220	(33.1)	28,112	(30.0)

Note: Consolidated comprehensive income: April-September 2021: ¥86,859 million 152.8%  
April-September 2020: ¥34,359 million 59.1%

Six months ended September 30	Net income per share	Net income per share (diluted)
	Yen	Yen
2021	410.03	—
2020	146.55	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
September 30, 2021	1,674,288	1,482,774	87.9
March 31, 2021	1,625,191	1,435,554	87.7

(Reference) Equity: September 30, 2021: ¥1,471,388 million

March 31, 2021: ¥1,425,479 million

2. Dividends

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end Dividends	Full year
	Yen	Yen	Yen	Yen	Yen
FY2020	—	87.93	—	206.14	294.07
FY2021	—	246.02	—	—	—
FY2021 (forecast)	—	—	—	—	—

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

Note: The forecasts of year-end dividends for the year ending March 31, 2022 will be disclosed promptly upon their availability.

3. Consolidated Financial Forecasts for the Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(% represents changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal period	708,900	28.6	177,500	57.8	203,400	58.0	150,800	60.4	786.16

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

\*Notes

(1) Changes in Significant Subsidiaries during the period  
(changes in specific subsidiaries that caused change in scope of consolidation) : No

(2) Adoption of Simplified and Specifically Applied Accounting Method for Quarterly Consolidated Financial Reporting : No

(3) Changes in Accounting Principles and Accounting Estimates, and Revisions/Restatements

1. Changes associated with changes in accounting standards : Yes
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 and Accounting Estimates, and Revisions/Restatements” on Page 10 in Attachment.

(4) Number of shares outstanding (Common shares)

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

	September 30, 2021	201,909,397 shares	March 31, 2021	201,922,097 shares
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2. Number of treasury stocks

	September 30, 2021	10,085,778 shares	March 31, 2021	10,108,169 shares
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3. Average number of shares during the period

	April-September 2021	191,813,603 shares	April-September 2020	191,823,779 shares
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\* The report of the quarterly financial results is not subject to audit by certified public accountant or audit firm.

\* Any forward looking statements such as financial 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. For the details of the financial forecasts, please see “Financial Results Forecasts” on page 4 of the Accompanying Documents. The forecasts of the year-end dividends for the year ending March 31, 2022 will be disclosed promptly upon their availability.

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## **1. Results of Operations and Financial Position**

### **(1) Results of Operations**

Regarding the circumstances surrounding the FANUC Group during the first six-month period of the fiscal year ending March 31, 2022 (from April 1 to September 30, 2021), capital investment in the entire manufacturing sector, which had been declining due to the impact of the spread of the coronavirus (COVID-19), recovered and thus was made vigorously. The outlook remained uncertain however, with the impact on manufacturing activities surfacing from a shortage in components such as semiconductors across global supply chains.

Under these circumstances, the FANUC Group has striven to maintain the delivery of products and service activities for our customers while placing utmost priority on preventing the spread of COVID-19.

During the six months from April to September 2021, FANUC posted consolidated net sales totaling ¥351,490 million, up 52.5%, consolidated ordinary income totaling ¥107,822 million, up 182.1%, and net income attributable to owners of parent totaling ¥78,649 million, up 179.8%, compared with the corresponding period of the previous fiscal year.

An overview of the results for each business division is as follows:

In the FA Division, demand from the machine tool industry, the primary market for CNC systems, remained strong in all major markets such as China. Against this backdrop, sales of FANUC's CNC systems also increased. With regard to our lasers, the Chinese market and the European market are on a recovery trend, but competition from overseas manufacturers remains fierce. As a result, net sales in the FA Division amounted to ¥103,968 million, up 54.2% compared with the corresponding period of the previous fiscal year.

In the Robot Division, Sales in China remained strong, mainly in IT-related industries and for EVs, heavy machinery and construction machinery. Strong sales were also recorded in the United States, to general industries and to the automobile industry with EV-related demand. Demand from general industries in Europe remained strong, and sales increased. In Japan, sales are recovering after bottoming-out in October last year. As a result, net sales in the Robot Division amounted to ¥121,171 million, up 37.6% from the corresponding period of the previous fiscal year.

In the Robomachine Division, sales of the ROBODRILLS (compact machining centers) increased due to vigorous demand for use in the personal computer and tablet markets. Sales of the ROBOSHOTS (electric injection molding machines) increased due to strong demand from IT-related and medical markets. Sales of the ROBOCUTs (wire electric discharge machines) also increased due to strong demand from IT-related and automobile component markets. As a result, net sales in the Robomachine Division amounted to ¥81,069 million, up 105.5% compared with the corresponding period of the previous fiscal year.

In the Service Division, sales recovered to the same level as in normal years. As a result, net sales in the Service Division amounted to ¥45,282 million, up 27.6% compared with the corresponding period of the previous fiscal year.

## **(2) Financial Position**

### **① Assets, Liabilities and Net Assets**

Total assets were ¥1,674,288 million, up ¥49,097 million compared with the end of the previous fiscal year.

Total liabilities were ¥191,514 million, up ¥1,877 million compared with the end of the previous fiscal year.

Total net assets were ¥1,482,774 million, up ¥47,220 million compared with the end of the previous fiscal year.

### **② Cash Flow**

Cash and cash equivalents (hereinafter “Cash”) for the first half of the current fiscal year amounted to ¥595,273 million, up ¥17,354 million from the end of the previous fiscal year.

#### **(Cash flow from operating activities)**

Cash provided by operating activities during the six months ended September 30, 2021 amounted to ¥75,039 million, up ¥27,918 million compared with the same period of the previous fiscal year. This was mainly due to the increase in income before income taxes.

#### **(Cash flow from investing activities)**

Cash used in investing activities during the six months ended September 30, 2021 amounted to ¥15,955 million, down ¥15,118 million compared with the same period of the previous fiscal year. This was mainly due to the decrease in the payments into time deposits.

#### **(Cash flow from financing activities)**

Cash used in financing activities during the six months ended September 30, 2021 amounted to ¥40,704 million, up ¥6,319 million compared with the same period of the previous fiscal year. This was mainly due to the increase in dividends paid.

### (3) Financial Results Forecasts

The Company anticipates strong demand in various areas in the fields of FA, Robots, and Robomachines. However, the outlook remains uncertain due to a shortage in components such as semiconductors, and as such, the Company forecasts financial results for fiscal 2021 (the fiscal year ending March 31, 2022), as follows.

For the fiscal year 2021 (April 1, 2021 through March 31, 2022)

(Millions of yen)

	Previous forecast (released on July 29, 2021) [A]	New forecast [B]	Comparison with Previous forecast (%) [(B-A) / A]
Net sales	727,600	708,900	(2.6%)
Operating income	194,400	177,500	(8.7%)
Ordinary income	216,400	203,400	(6.0%)
Net income attributable to owners of parent	156,000	150,800	(3.3%)

Note: The currency rate applied to the period from October 1, 2021 to March 31, 2022 is averaged at 105 yen/US dollar and 125 yen/Euro.

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated Quarterly Balance Sheet

(Millions of yen)

	March 31, 2021	September 30, 2021
<b>Assets</b>		
Current assets		
Cash and bank deposits	429,784	450,364
Notes and accounts receivables, trade	128,171	115,129
Marketable securities	157,000	157,200
Finished goods	81,253	87,590
Work in progress	52,008	65,054
Raw materials and supplies	31,007	42,163
Other current assets	11,253	15,885
Allowance for doubtful accounts	(782)	(770)
Total current assets	889,694	932,615
Noncurrent assets		
Property, plant and equipment		
Buildings, net	309,113	318,378
Land	148,389	154,015
Other, net	119,344	96,491
Total property, plant and equipment	576,846	568,884
Intangible assets	9,952	9,298
Investments and other assets		
Investment securities	109,212	119,762
Others	39,911	44,151
Allowance for doubtful accounts	(424)	(422)
Total investments and other assets	148,699	163,491
Total noncurrent assets	735,497	741,673
Total assets	1,625,191	1,674,288

(Millions of yen)

	March 31, 2021	September 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payables, trade	44,015	38,079
Accrued income taxes	22,131	26,354
Warranty reserves	8,860	8,746
Other current liabilities	60,112	63,165
Total current liabilities	135,118	136,344
Long-term liabilities		
Net defined benefit liability	49,379	50,007
Other long-term liabilities	5,140	5,163
Total long-term liabilities	54,519	55,170
Total liabilities	189,637	191,514
<b>Net assets</b>		
Shareholders' equity		
Common stock	69,014	69,014
Capital surplus	95,995	96,215
Retained earnings	1,373,018	1,411,994
Treasury stock, at cost	(106,008)	(105,854)
Total shareholders' equity	1,432,019	1,471,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,910	16,252
Foreign currency translation adjustment	(4,849)	1,103
Remeasurements of defined benefit plans	(18,601)	(17,336)
Total accumulated other comprehensive income	(6,540)	19
Non-controlling interests	10,075	11,386
Total net assets	1,435,554	1,482,774
<b>Total liabilities and net assets</b>	<b>1,625,191</b>	<b>1,674,288</b>



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

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	230,411	351,490
Cost of goods sold	156,680	205,397
Gross profit	73,731	146,093
Selling, general and administrative expenses	41,410	52,171
Operating income	32,321	93,922
Non-operating income		
Interest income	1,237	908
Dividends income	744	725
Equity in earnings of affiliates	4,948	10,445
Miscellaneous income	1,173	2,326
Total non-operating income	8,102	14,404
Non-operating expenses		
Removal expenses of noncurrent assets	265	171
Donations	330	130
Miscellaneous expenses	1,608	203
Total non-operating expenses	2,203	504
Ordinary income	38,220	107,822
Extraordinary losses		
Loss from money transfer scam at foreign subsidiary	—	538
Total extraordinary losses	—	538
Income before income taxes	38,220	107,284
Income taxes-current	9,159	29,733
Income taxes-deferred	71	(2,776)
Total taxes and others	9,230	26,957
Net income	28,990	80,327
Net income attributable to non-controlling interests	878	1,678
Net income attributable to owners of parent	28,112	78,649

## Consolidated Quarterly Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net income	28,990	80,327
Other comprehensive income		
Valuation difference on available-for-sale securities	5,621	(658)
Foreign currency translation adjustment	824	(200)
Remeasurements of defined benefit plans	934	1,264
Share of other comprehensive income of affiliates accounted for using equity method	(2,010)	6,126
Total other comprehensive income	5,369	6,532
Comprehensive income for the six months ended September 30	34,359	86,859
Comprehensive income attributable to:		
Owners of parent	33,333	85,208
Non-controlling interests	1,026	1,651

**(3) Consolidated Quarterly Statement of Cash Flow**

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
<b>Cash flows from operating activities</b>		
Income before income taxes	38,220	107,284
Depreciation and amortization	21,725	22,833
Increase (decrease) in allowance for doubtful accounts	(55)	(15)
Increase (decrease) in net defined benefit liability	758	596
(Increase) decrease in net defined benefit asset	437	1,277
Interest and dividend income	(1,982)	(1,632)
Equity in (earnings) losses of affiliates	(4,948)	(10,445)
(Increase) decrease in receivables, trade	830	12,953
(Increase) decrease in inventories	(1,103)	(29,959)
Increase (decrease) in payables, trade	384	(6,055)
Other	(2,995)	(3,342)
Subtotal	51,271	93,495
Interest and dividends received	5,633	6,578
Income taxes paid	(9,961)	(25,724)
Other	178	690
Net cash provided by operating activities	47,121	75,039
<b>Cash flows from investing activities</b>		
Payments into time deposits	(28,979)	(9,327)
Proceeds from withdrawal of time deposits	14,345	5,969
Purchases of property, plant, and equipment	(14,627)	(11,413)
Other	(1,812)	(1,184)
Net cash used in investing activities	(31,073)	(15,955)
<b>Cash flows from financing activities</b>		
Purchases of treasury stock	(85)	(137)
Dividends paid	(33,561)	(39,540)
Other	(739)	(1,027)
Net cash used in financing activities	(34,385)	(40,704)
Effect of exchange rate changes on cash and cash equivalents	448	(1,026)
Net increase (decrease) in cash and cash equivalents	(17,889)	17,354
Cash and cash equivalents at beginning of period	515,008	577,919
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	352	—
Cash and cash equivalents at end of period	497,471	595,273

### 3. Other Information

(1) Changes in Significant Subsidiaries during the Period  
(changes in specific subsidiaries that caused change in scope of consolidation):

None

(2) Adoption of Simplified and Specifically Applied Accounting Method  
for Quarterly Consolidated Financial Reporting:

None

(3) Changes in Accounting Principles and Accounting Estimates, and  
Revisions/Restatements:

(Changes in accounting principles)

(Application of Accounting Standard for Revenue Recognition)

The Company has applied "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) and others from the beginning of the first quarter of the fiscal year ending March 31, 2022. Under Accounting Standard for Revenue Recognition, the Company recognizes revenue at the time when control over the promised goods or services is transferred to the customer, in an amount equal to the consideration expected to be received for the said goods or services.

The application of this accounting standard has no effect on the Company's consolidated quarterly financial statements.

(Application of the Accounting Standard for Fair Value Measurement)

The Company has applied "Accounting Standard for Fair Value Measurement" (ASBJ Statement No.30, July 4, 2019; hereinafter, "Fair Value Accounting Standards") and others from the beginning of the first quarter of the fiscal year ending March 31, 2022. In accordance with the transitional treatment set forth in Article 19 of Fair Value Accounting Standards and Article 44-2 of "Accounting Standard for Financial Instruments" (ASBJ Statement No.10, July 4, 2019), the Company has applied prospectively a new accounting policy prescribed by Fair Value Accounting Standards and others.

The application of this accounting standard has no effect on the Company's consolidated quarterly financial statements.

(4) Note on Premise of a Going Concern:

None

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

None