

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2016	—	14.00	—	14.00	28.00
Fiscal year ending March 31, 2017	—	15.00	—		
Fiscal year ending March 31, 2017 (Forecast)			—	15.00	30.00

Note: Revision of dividend forecast since last announcement: None

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2017 (From April 1, 2016 to March 31, 2017)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	84,000	-3.0	8,200	-31.1	8,200	-31.6	6,000	-17.1	63.56

Note: Revision of results forecast since last announcement: None

*Notes

(1) Changes in significant subsidiaries during the period under review (Changes in specified subsidiaries involving changes in scope of consolidation): None

New Company: — Exclusion: —

(2) Application of accounting treatments specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates, and retrospective restatements

1) Changes in accounting policies in accordance with revision of accounting standards: Yes

2) Changes in accounting policies other than item 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

Note: For further details, please refer to "2. Summary Information (Notes) (3) Changes in Accounting Policies, Accounting Estimates, and Retrospective Restatements" on page 4.

(4) Number of shares issued (common stock)

1) Number of shares issued as of end of period (including treasury shares)

As of December 31, 2016: 97,823,748 shares

As of March 31, 2016: 97,823,748 shares

2) Number of treasury shares as of end of period

As of December 31, 2016: 7,084,836 shares

As of March 31, 2016: 1,698,068 shares

3) Average number of shares during the period

Nine months ended December 31, 2016: 93,481,309 shares

Nine months ended December 31, 2015: 97,756,609 shares

Implementation status for quarterly review procedures

The quarterly review procedures for quarterly consolidated financial statements pursuant to the Financial Instruments and Exchange Act have not been completed at the time of the disclosure of this document.

Explanation regarding appropriate use of results forecasts and other special remarks

(Attention for forward-looking statements, etc.)

The forward-looking statements, including results forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable and they are not meant to be a commitment by the Company. Also, actual business results may differ substantially due to a number of factors.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

In terms of the Japanese economy over the nine months ended December 31, 2016, while the business environment appears to be recovering gently, companies took a cautious stance toward capital investment. In terms of the global economy, capital investment has started to weaken in spite of improved business sentiment in North America while the manufacturing industry in Europe appears to be moving towards recovering, and in China capital investment appears to be improving as well after the continuing manufacturing industry slowdown.

In this environment, under the slogan of “Excite and Inspire” the Company and its subsidiaries (hereinafter the “Group”) have taken on the challenge of reforming and have made efforts to develop highly original products as one of the world’s leading robot manufacturers, while striving to promote swift management and to provide the market with products that are highly competitive on cost in a timely manner. We have also worked to improve customer satisfaction by strengthening the domestic and overseas sales and service system through cooperation among Group companies and expansion of the dealer network, and by promoting solution-based sales approaches. At the same time, we have sought to improve profitability through efforts to pursue exhaustive QCD (quality, cost and delivery) through strengthening supply chains and production reforms.

As a result of the above, net sales for the nine months ended December 31, 2016 were ¥63,460 million, a decrease of ¥1,863 million (2.9%) compared with the corresponding period of the previous fiscal year. In addition, operating income was ¥6,945 million (down 27.1% from the same period of the previous fiscal year), due mainly to fierce price competition and a fall in selling price stemming from yen appreciation. Ordinary income was ¥7,398 million (down 26.1%), and profit attributable to owners of parent was ¥5,304 million (down 23.7%).

Business results by segment are as follows.

The name of the reportable segment formerly known as “Electronics Assembly Equipment” has been changed to “Robotic Solutions” as of the first quarter ended June 30, 2016. This change is in name only, and does not have any impact on segment information.

1) Robotic Solutions

While a segment of the markets appeared to be cautious in investing in capital equipment due to uncertainties up to the second quarter, there was movement in active investment for communication, computer, and automotive related sectors mainly from EMS (Electronic Manufacturing Services) companies. As a result, net sales totaled ¥54,796 million, increased by ¥134 million (0.2%) from the corresponding period of the previous fiscal year, and operating income was ¥10,619 million (down 8.9% from the same period of the previous fiscal year).

2) Machine Tools

The postponing of plans for capital investment has been observed in main market which is focused on the automobile industry. As a result, net sales were ¥7,716 million, a decrease of ¥2,168 million (21.9%) from the corresponding period of the previous fiscal year, and operating loss was ¥682 million (operating income for the same period of the previous fiscal year was ¥216 million).

(2) Explanation of Financial Position

Regarding our financial position, due to a decrease in cash and deposits, total assets decreased by ¥1,649 million from the end of the previous fiscal year, to ¥155,308 million. In addition, a decrease in notes and accounts payable-trade resulted in a decrease in total liabilities by ¥948 million from the end of the previous fiscal year, to ¥23,940 million.

With regard to cash flows, the balance of cash and cash equivalents at the end of the third quarter of the fiscal year decreased by ¥7,929 million from the end of the previous fiscal year, to ¥51,427 million.

Net cash provided by operating activities was ¥11,469 million (¥5,081 million in the same period of the previous fiscal year). This was mainly due to profit before income taxes and depreciation.

Net cash used in investing activities was ¥10,314 million (¥7,519 million in the same period of the previous fiscal year). This was mainly due to purchase of property, plant and equipment and intangible assets.

Net cash used in financing activities was ¥9,043 million (¥3,577 million in the same period of the previous fiscal year). This was mainly due to purchase of treasury shares and cash dividends paid.

(3) Explanation of Forward-Looking Information including Forecast of Consolidated Results

No revisions have been made to the forecast of consolidated results announced on November 10, 2016.

2. Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period under Review

Not applicable

(2) Application of Accounting Treatments Specific to the Preparation of Quarterly Consolidated Financial Statements

Not applicable

(3) Changes in Accounting Policies, Accounting Estimates, and Retrospective Restatements

Changes in Accounting Policies

(Adoption of the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016)

With the enforcement of amendments to the Corporation Tax Act, effective from the first quarter ended 30 June 2016, the Company adopted the “Practical Solution on a Change in Depreciation Method due to Tax Reform 2016” (ASBJ Practical Issues Task Force No. 32, June 17, 2016). Accordingly, the Company has changed the method to depreciate facilities attached to buildings, and structures acquired on and after April 1, 2016 from the declining-balance method to the straight-line method.

This change has a minor impact on profit and loss for the nine months ended December 31, 2016.

(4) Additional Information

(Adoption of the Revised Implementation Guidance on Recoverability of Deferred Tax Assets)
Effective from the first quarter ended June 30, 2016, the Company has adopted the “Revised Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, March 28, 2016).

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	57,508	50,018
Notes and accounts receivable - trade	19,929	17,398
Securities	3,138	7,417
Merchandise and finished goods	6,231	7,126
Work in process	15,255	14,390
Raw materials and supplies	5,839	5,419
Other	6,334	6,936
Allowance for doubtful accounts	(63)	(24)
Total current assets	114,173	108,683
Non-current assets		
Property, plant and equipment	17,793	17,855
Intangible assets	5,862	6,313
Investments and other assets		
Investment securities	18,414	21,852
Other	712	603
Total investments and other assets	19,127	22,456
Total non-current assets	42,784	46,625
Total assets	156,958	155,308
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,427	3,666
Income taxes payable	853	645
Provision for product warranties	868	827
Other	5,693	5,256
Total current liabilities	11,842	10,396
Non-current liabilities		
Bonds payable	10,049	10,042
Net defined benefit liability	1,106	1,008
Other	1,890	2,493
Total non-current liabilities	13,046	13,543
Total liabilities	24,888	23,940

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Net assets		
Shareholders' equity		
Capital stock	5,878	5,878
Capital surplus	5,413	5,413
Retained earnings	115,475	118,040
Treasury shares	(1,907)	(8,223)
Total shareholders' equity	124,860	121,109
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,551	7,672
Foreign currency translation adjustment	2,148	2,572
Remeasurements of defined benefit plans	(659)	(164)
Total accumulated other comprehensive income	7,040	10,080
Non-controlling interests	168	178
Total net assets	132,069	131,368
Total liabilities and net assets	156,958	155,308

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(For the Nine months Ended December 31, 2015 and 2016)

	(Millions of yen)	
	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Net sales	65,324	63,460
Cost of sales	38,805	39,344
Gross profit	26,518	24,116
Selling, general and administrative expenses	16,991	17,170
Operating income	9,526	6,945
Non-operating income		
Interest income	108	117
Dividend income	279	334
Miscellaneous income	292	121
Total non-operating income	680	573
Non-operating expenses		
Interest expenses	5	(5)
Commission fee	10	22
Foreign exchange losses	163	99
Miscellaneous expenses	20	3
Total non-operating expenses	200	120
Ordinary income	10,006	7,398
Extraordinary income		
Gain on disposal of non-current assets	112	53
Subsidy income	192	184
Other	—	0
Total extraordinary income	304	238
Extraordinary losses		
Loss on disposal of non-current assets	225	103
Loss on valuation of investment securities	—	111
Total extraordinary losses	225	214
Profit before income taxes	10,086	7,422
Income taxes - current	2,196	2,157
Income taxes - deferred	896	(47)
Total income taxes	3,092	2,109
Profit	6,993	5,312
Profit attributable to non-controlling interests	44	7
Profit attributable to owners of parent	6,949	5,304

(Consolidated Statements of Comprehensive Income)
(For the Nine months Ended December 31, 2015 and 2016)

	(Millions of yen)	
	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Profit	6,993	5,312
Other comprehensive income		
Valuation difference on available-for-sale securities	(554)	2,120
Foreign currency translation adjustment	(218)	426
Remeasurements of defined benefit plans, net of tax	(273)	494
Total other comprehensive income	<u>(1,046)</u>	<u>3,042</u>
Comprehensive income	<u>5,947</u>	<u>8,354</u>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	5,985	8,344
Comprehensive income attributable to non-controlling interests	(37)	10

(3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Cash flows from operating activities		
Profit before income taxes	10,086	7,422
Depreciation	3,621	3,776
Increase (decrease) in net defined benefit liability	(515)	614
Interest and dividend income	(388)	(451)
Interest expenses	5	(5)
Loss (gain) on disposal of non-current assets	112	50
Loss (gain) on valuation of investment securities	—	111
Decrease (increase) in notes and accounts receivable - trade	(2,243)	2,661
Decrease (increase) in inventories	(57)	548
Increase (decrease) in notes and accounts payable - trade	(1,298)	(786)
Decrease (increase) in consumption taxes refund receivable	877	515
Other, net	102	(967)
Subtotal	<u>10,303</u>	<u>13,488</u>
Interest and dividend income received	389	452
Interest expenses paid	(4)	(1)
Income taxes paid	(5,606)	(2,470)
Net cash provided by (used in) operating activities	<u>5,081</u>	<u>11,469</u>
Cash flows from investing activities		
Purchase of securities	(3,000)	(4,199)
Purchase of property, plant and equipment and intangible assets	(3,625)	(5,038)
Proceeds from sales of property, plant and equipment and intangible assets	385	154
Purchase of investment securities	(106)	(799)
Payments into time deposits	(1,279)	(1,656)
Proceeds from withdrawal of time deposits	107	1,224
Other, net	(1)	0
Net cash provided by (used in) investing activities	<u>(7,519)</u>	<u>(10,314)</u>
Cash flows from financing activities		
Redemption of bonds	(300)	—
Cash dividends paid	(3,276)	(2,697)
Purchase of treasury shares	(0)	(6,315)
Other, net	—	(30)
Net cash provided by (used in) financing activities	<u>(3,577)</u>	<u>(9,043)</u>
Effect of exchange rate change on cash and cash equivalents	(60)	(41)
Net increase (decrease) in cash and cash equivalents	<u>(6,076)</u>	<u>(7,929)</u>
Cash and cash equivalents at beginning of period	54,207	59,357
Cash and cash equivalents at end of period	<u>48,130</u>	<u>51,427</u>

(4) Notes to Consolidated Financial Statements**(Notes to assumption of going concern)**

Not applicable

(Notes to a significant change in shareholders' equity)

Not applicable

(Segment information)**[Segment information]**

I. Nine months ended December 31, 2015

1) Information on the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments			Others (Note)	Total
	Robotic Solutions	Machine Tools	Subtotal		
Net sales					
Sales to external customers	54,661	9,885	64,546	777	65,324
Inter-segment sales or transfers	—	—	—	2	2
Total	54,661	9,885	64,546	779	65,326
Segment income (loss)	11,658	216	11,874	(189)	11,684

Note: "Others" include business activities that do not fit into the main two reportable segments. This includes the manufacture of control equipment, PCB designing and manufacturing, and software development.

2) Difference between the aggregate amount of the profit or loss of a reportable segment and the amount posted in the consolidated statements of income and major descriptions of such difference (difference adjustments and related matters)

(Millions of yen)

Income	Amount
Reportable segments total	11,874
Losses in Others	(189)
Inter-segment transaction eliminations	1
Corporate expenses (Note)	(2,159)
Operating income in the consolidated statements of income	9,526

Note: Corporate expenses mainly consist of general and administrative expenses and technical research expenses not attributable to the reportable segments.

II. Nine months ended December 31, 2016

1) Information on the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments			Others (Note)	Total
	Robotic Solutions	Machine Tools	Subtotal		
Net sales					
Sales to external customers	54,796	7,716	62,512	948	63,460
Inter-segment sales or transfers	3	0	3	2	6
Total	54,799	7,716	62,515	950	63,466
Segment income (loss)	10,619	(682)	9,937	(343)	9,593

Note: "Others" include business activities that do not fit into the main two reportable segments. This includes the manufacture of control equipment, PCB designing and manufacturing, and software development.

2) Difference between the aggregate amount of the profit or loss of a reportable segment and the amount posted in the consolidated statements of income and major descriptions of such difference (difference adjustments and related matters)

(Millions of yen)

Income	Amount
Reportable segments total	9,937
Losses in Others	(343)
Inter-segment transaction eliminations	6
Corporate expenses (Note)	(2,653)
Operating income in the consolidated statements of income	6,945

Note: Corporate expenses mainly consist of general and administrative expenses and technical research expenses not attributable to the reportable segments.

3) Matters concerning reportable segments

(Change in the name of a reportable segment)

The name of the reportable segment formerly known as "Electronics Assembly Equipment" has been changed to "Robotic Solutions" as of the first quarter ended June 30, 2016. This change is in name only, and does not have any impact on segment information. The information concerning the reportable segment for the nine months ended December 31, 2016 is described under the new name.

4. Supplementary Information

(1) Orders and Sales

The name of the reportable segment formerly known as “Electronics Assembly Equipment” has been changed to “Robotic Solutions” as of the first quarter ended June 30, 2016. This change is in name only, and does not have any impact on segment information. The information concerning the reportable segment for the nine months ended December 31, 2016 and the fiscal year ended March 31, 2016 is described under the new name.

Nine months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

Name of segment	Orders (Millions of yen)	Ratio (%)	Net sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Robotic Solutions	52,153	81.9	54,661	83.7	9,180	49.1
Machine Tools	10,563	16.6	9,885	15.1	9,095	48.6
Others	980	1.5	777	1.2	438	2.3
Total	63,697	100.0	65,324	100.0	18,714	100.0

Nine months ended December 31, 2016 (from April 1, 2016 to December 31, 2016)

Name of segment	Orders (Millions of yen)	Ratio (%)	Net sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Robotic Solutions	57,140	85.4	54,796	86.3	11,655	58.8
Machine Tools	8,787	13.1	7,716	12.2	7,945	40.1
Others	1,001	1.5	948	1.5	218	1.1
Total	66,928	100.0	63,460	100.0	19,818	100.0

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

Name of segment	Orders (Millions of yen)	Ratio (%)	Net sales (Millions of yen)	Ratio (%)	Order backlogs (Millions of yen)	Ratio (%)
Robotic Solutions	68,408	82.8	70,786	81.7	9,310	56.9
Machine Tools	13,080	15.8	14,623	16.9	6,874	42.1
Others	1,162	1.4	1,232	1.4	165	1.0
Total	82,651	100.0	86,642	100.0	16,350	100.0

(2) Information by Region

Nine months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

	Japan	China	Other Asia	United States	Other North America	Europe	Others	Total
Net sales (Millions of yen)	10,991	24,708	8,258	9,318	2,764	7,857	1,425	65,324
Ratio (%)	16.8	37.8	12.7	14.3	4.2	12.0	2.2	100.0

Nine months ended December 31, 2016 (from April 1, 2016 to December 31, 2016)

	Japan	China	Other Asia	United States	Other North America	Europe	Others	Total
Net sales (Millions of yen)	8,503	29,235	8,099	7,103	2,217	7,761	540	63,460
Ratio (%)	13.4	46.1	12.8	11.2	3.5	12.2	0.8	100.0

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

	Japan	China	Other Asia	United States	Other North America	Europe	Others	Total
Net sales (Millions of yen)	15,336	32,166	10,559	12,382	4,042	10,438	1,716	86,642
Ratio (%)	17.7	37.1	12.2	14.3	4.7	12.0	2.0	100.0

Note: Net sales are based on the locations of customers and classified by country or region.

Reference Document

Announcement of Financial Results for the Third Quarter Ended December 31, 2016

February 9, 2017

Fuji Machine Mfg. Co., Ltd.

Securities Code: 6134

Listings: First section of the Tokyo Stock Exchange
and Nagoya Stock Exchange

1. Forecast of consolidated financial results for the fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	84,000	-3.0	8,200	-31.1	8,200	-31.6	6,000	-17.1

Note: No revisions have been made to the forecast of consolidated results announced on November 10, 2016.

2. Forecast of non-consolidated financial results for the fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	76,500	-1.1	7,000	-30.0	6,900	-31.9	5,000	-13.8

Note: No revisions have been made to the forecast of non-consolidated results announced on November 10, 2016.

3. Forecast of consolidated orders and net sales for the fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Amounts less than one million yen have been truncated)

Name of segment	Orders	Net sales
	Full year	Full year
Robotic Solutions	73,000	71,500
Machine Tools	11,500	11,000
Others	1,500	1,500
Total	86,000	84,000

Note: 1. No revisions have been made to the forecast of consolidated results announced on November 10, 2016.

2. The name of the reportable segment formerly known as "Electronics Assembly Equipment" has been changed to "Robotic Solutions" as of the first quarter ended June 30, 2016. This change is in name only, and does not have any impact on segment information.

4. Forecast of consolidated major items for the fiscal year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Amounts less than one million yen have been truncated)

	Full year
Capital expenditures	6,500
Depreciation	5,100
Research and development expenses	6,700

Note: No revisions have been made to the forecast of consolidated results announced on November 10, 2016.