



Financial Results for the Fiscal Year 2011 Third-Quarter

STAR MICRONICS CO., LTD.

<http://www.star-m.jp>

2011/01/07

| | |
|--------------------------------|----|
| ■ Financial Data | P2 |
| ■ Segment Overview | |
| ▪ Special Products | P3 |
| ▪ Components | P4 |
| ▪ Machine Tools | P5 |
| ▪ Precision Products | P6 |
| ■ Reference | |
| Business Segments and Products | P7 |

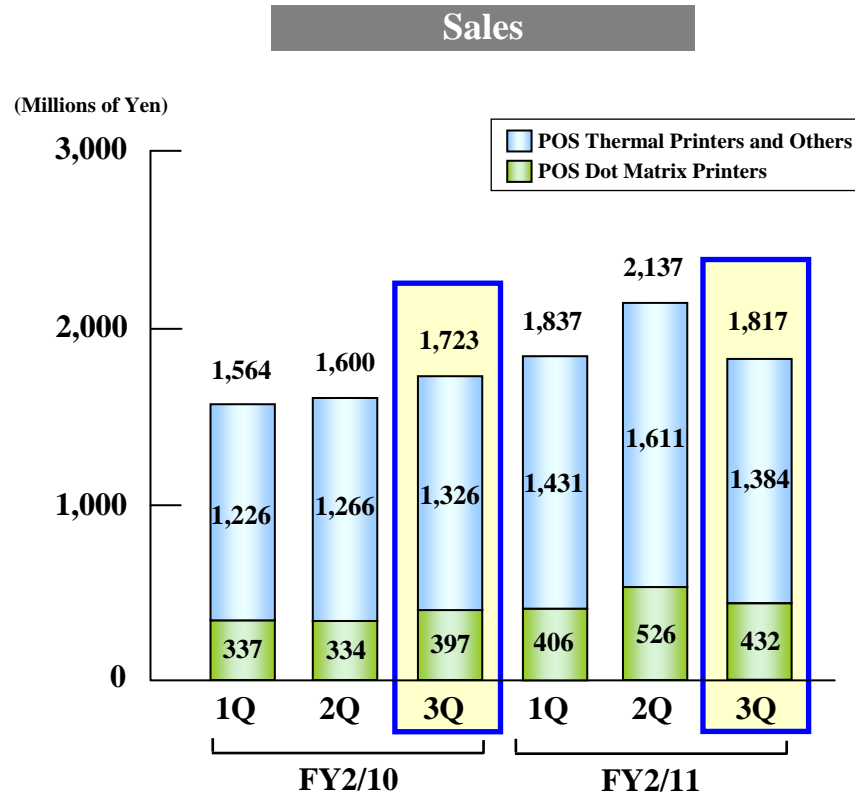
Financial Data



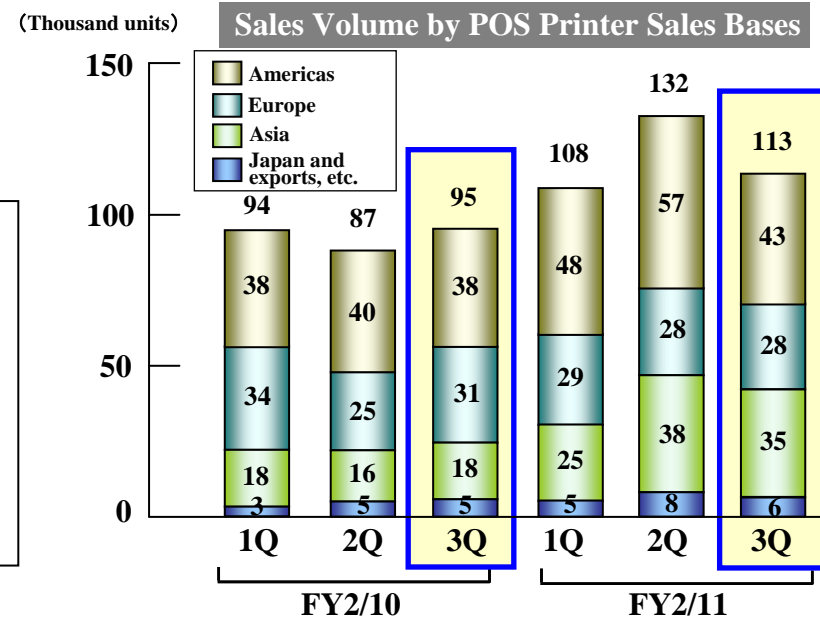
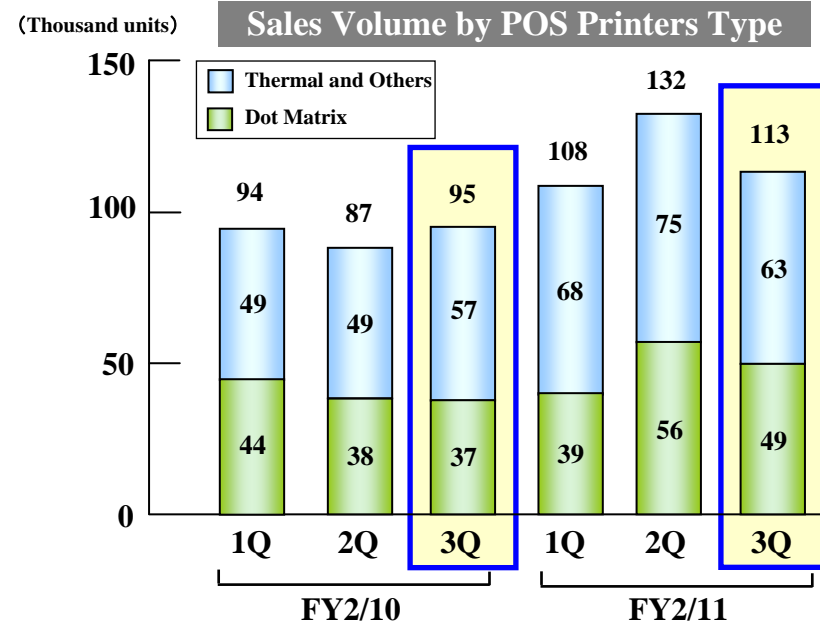
(Millions of Yen)

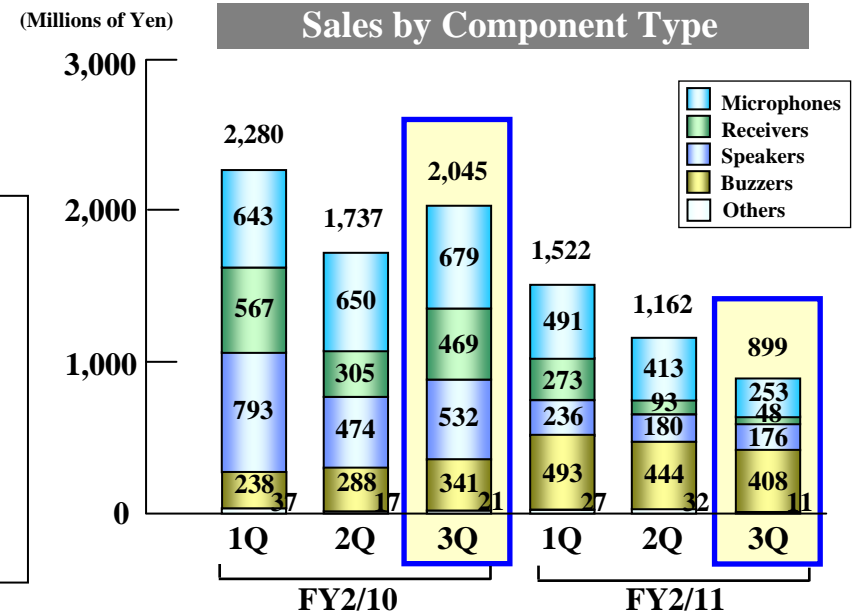
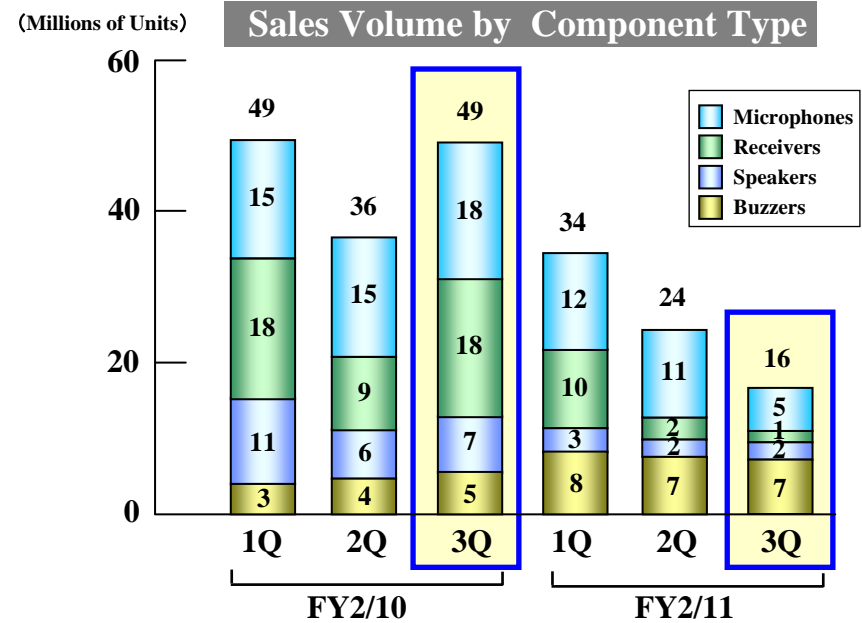
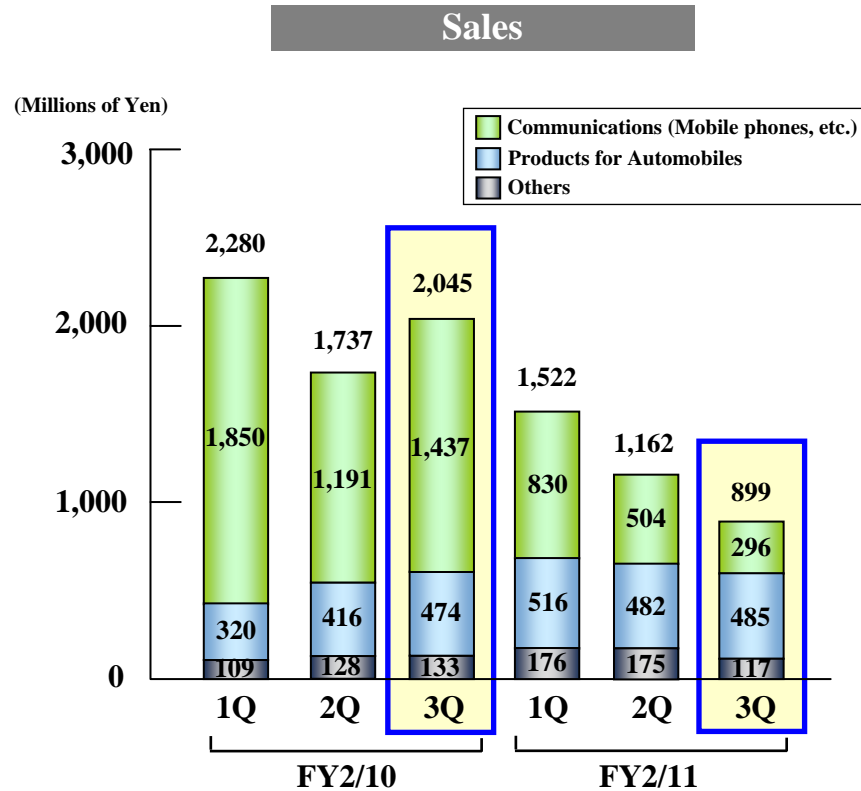
| | FY2/10 Actual | | | | | | | | FY2/11 Actual | | | | | | | | Y o Y | |
|---------------------------|---------------|------------------|---------|------------------|--------|------------------|-------------|------------------|---------------|------------------|--------|------------------|--------|------------------|-------------|------------------|---------|------------|
| | 1Q | | 2Q | | 3Q | | 1Q~3Q Total | | 1Q | | 2Q | | 3Q | | 1Q~3Q Total | | 1Q~3Q | Total |
| | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Amount | Change (%) |
| Sales | | | | | | | | | | | | | | | | | | |
| Special Products | 1,564 | | 1,600 | | 1,723 | | 4,888 | | 1,837 | | 2,137 | | 1,817 | | 5,793 | | 904 | 18.5 |
| Components | 2,280 | | 1,737 | | 2,045 | | 6,062 | | 1,522 | | 1,162 | | 899 | | 3,584 | | (2,477) | (40.9) |
| Machine Tools | 2,480 | | 2,204 | | 3,053 | | 7,738 | | 3,778 | | 4,378 | | 4,185 | | 12,342 | | 4,604 | 59.5 |
| Precision Products | 587 | | 841 | | 976 | | 2,405 | | 1,015 | | 1,133 | | 1,105 | | 3,255 | | 849 | 35.3 |
| Total | 6,912 | | 6,383 | | 7,798 | | 21,094 | | 8,154 | | 8,812 | | 8,008 | | 24,975 | | 3,880 | 18.4 |
| Operating Income | | | | | | | | | | | | | | | | | | |
| Special Products | (3) | - | 112 | 7.0 | 77 | 4.5 | 186 | 3.8 | 159 | 8.7 | 266 | 12.5 | 189 | 10.4 | 615 | 10.6 | 429 | 230.3 |
| Components | (338) | - | (296) | - | (415) | - | (1,050) | - | (191) | - | (58) | - | (90) | - | (340) | - | 709 | - |
| Machine Tools | (158) | - | (306) | - | (139) | - | (605) | - | 262 | 7.0 | 420 | 9.6 | 213 | 5.1 | 896 | 7.3 | 1,501 | - |
| Precision Products | (178) | - | 12 | 1.5 | 56 | 5.8 | (109) | - | 140 | 13.8 | 214 | 19.0 | 246 | 22.3 | 601 | 18.5 | 711 | - |
| Eliminations or Corporate | (416) | | (429) | | (453) | | (1,298) | | (416) | | (408) | | (395) | | (1,219) | | 79 | |
| Total | (1,095) | - | (908) | - | (874) | - | (2,878) | - | (45) | - | 434 | 4.9 | 163 | 2.0 | 552 | 2.2 | 3,431 | - |
| Ordinary Income | (1,158) | - | (825) | - | (769) | - | (2,753) | - | 9 | 0.1 | 213 | 2.4 | 98 | 1.2 | 321 | 1.3 | 3,075 | - |
| Net Income | (1,217) | - | (1,756) | - | (556) | - | (3,530) | - | (1,062) | - | (20) | - | (57) | - | (1,139) | - | 2,390 | - |

| Exchange Rate | US\$ | ¥ 94.87 | | | | ¥ 89.55 |
|---------------|------|---------|--|--|--|---------|
| | EUR | ¥129.39 | | | | ¥117.79 |
| | GBP | ¥146.24 | | | | ¥137.27 |
| | CHF | ¥ 85.69 | | | | ¥ 83.98 |

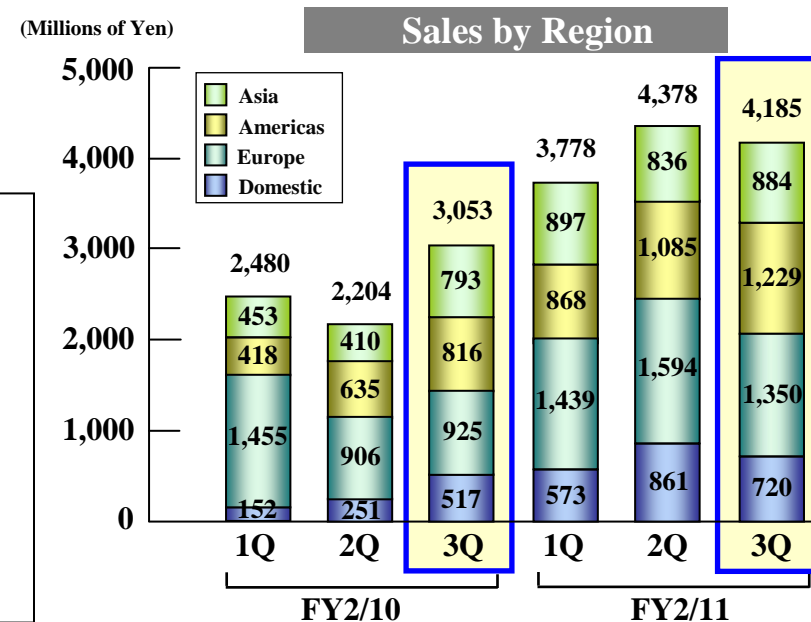
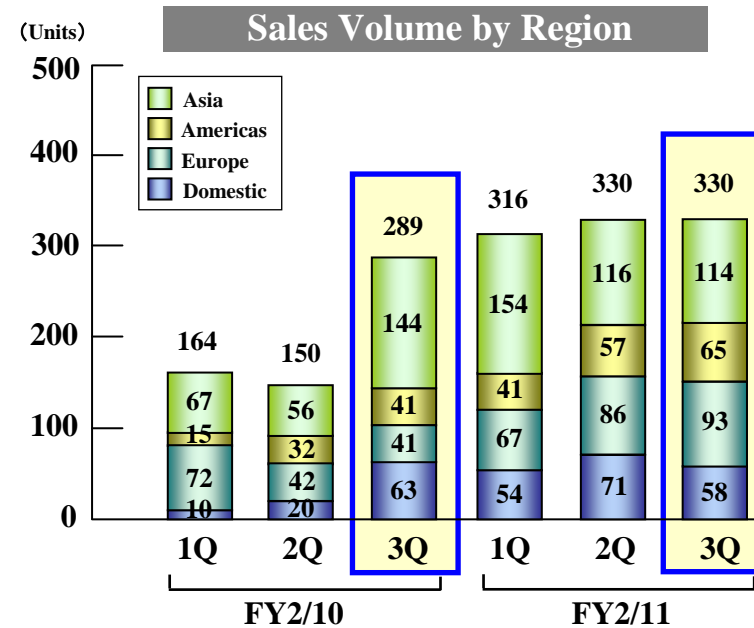
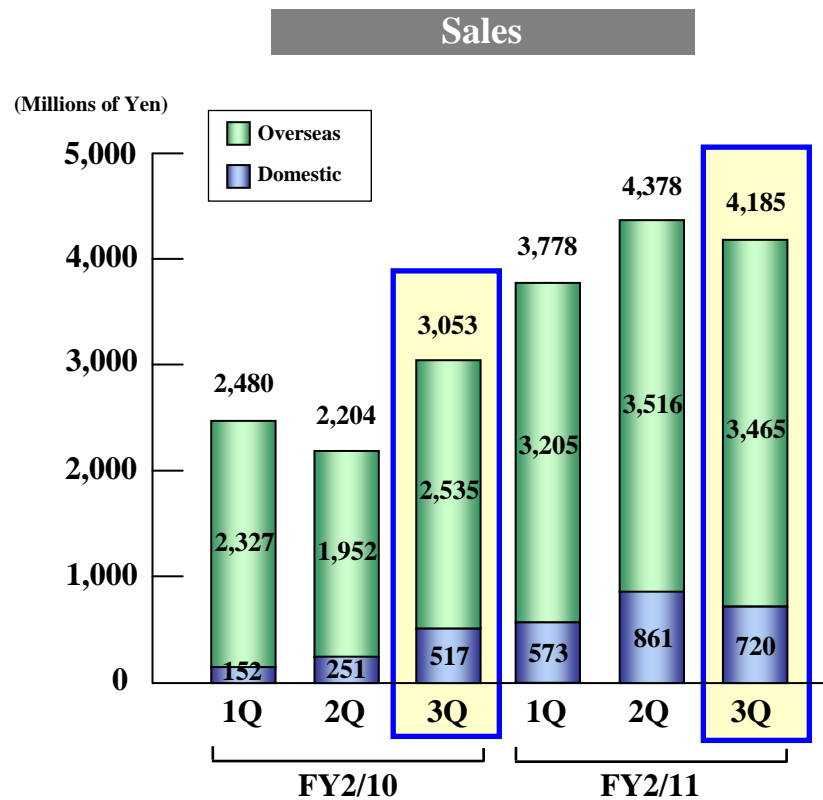


▪ Sales of thermal printer products, primarily for the POS market, increased due to signs of improving demand in the North American market, along with firm growth in the South American market. In China, sales of dot-matrix printers rose principally atop increased demand for products for the POS market.



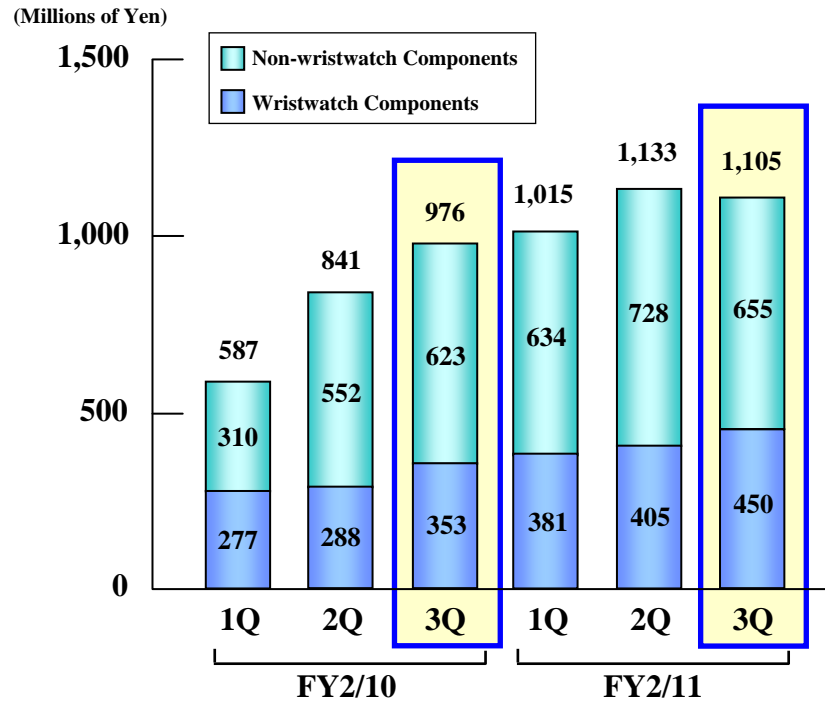


- Sales of products for mobile phones plummeted as the emphasis of business operations shifted from products for the mobile phone market to the automobile and other markets.
- In the automobile market, sales improved overall following market recovery, despite a slowdown in vehicle sales in Japan mainly in the third quarter.

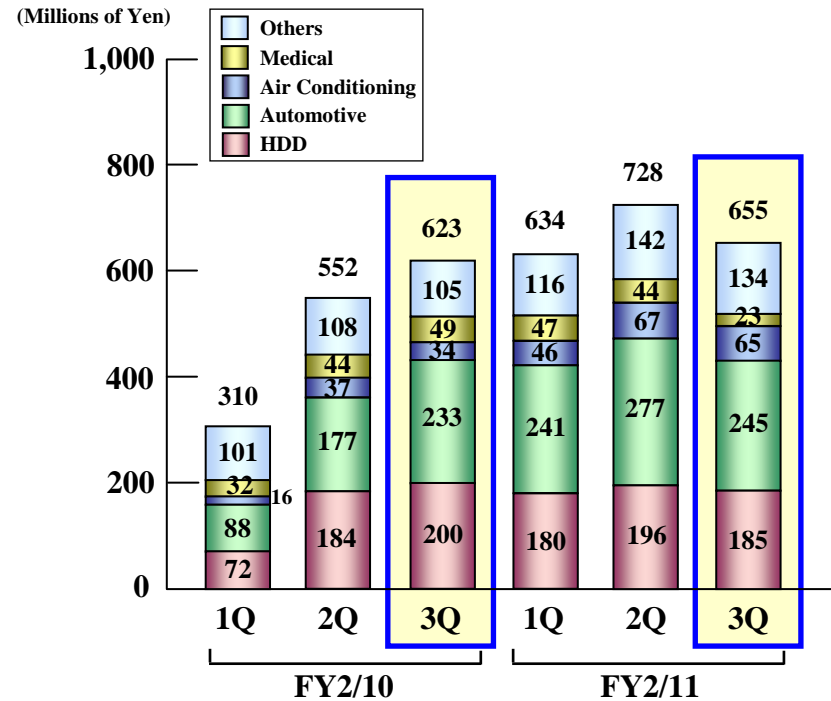


- Orders continued to rise in China and other Asian markets, supported by increased investment in the automobile, motorcycle and other sectors.
- In the U.S. market, sales activities were focused on medical-related fields, where we have achieved steady growth in orders.
- Orders in the European market, where the most challenging conditions had persisted, have improved since the start of fiscal 2011, mainly in Germany.




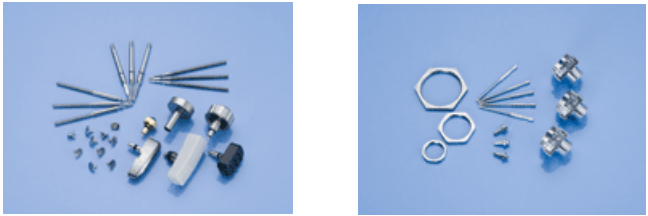
Sales



Sales of Non-wristwatch Components



- Wristwatch component sales grew, as demand continued to rebound following the completion of production cutbacks by client manufacturers.
- Sales of non-wristwatch components were higher, reflecting brisk sales of car audio components, although HDD components were impacted by manufacturer production cutbacks mainly in the third quarter.

| Segment | Products | |
|--------------------|---|---|
| Special Products | POS Printers Card Reader/Writers |  |
| Components | Micro Audio Components (Electronic Buzzers, Microphones, Speakers, Receivers) |  |
| Machine Tools | CNC Automatic Lathes, etc. |  |
| Precision Products | Wristwatch Parts, Optical Connector Parts, Automotive Parts, Medical Equipment Parts |  |