

# Financial Results for the Fiscal Year 2016 Third Quarter

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STAR MICRONICS CO., LTD.

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

Code 7718

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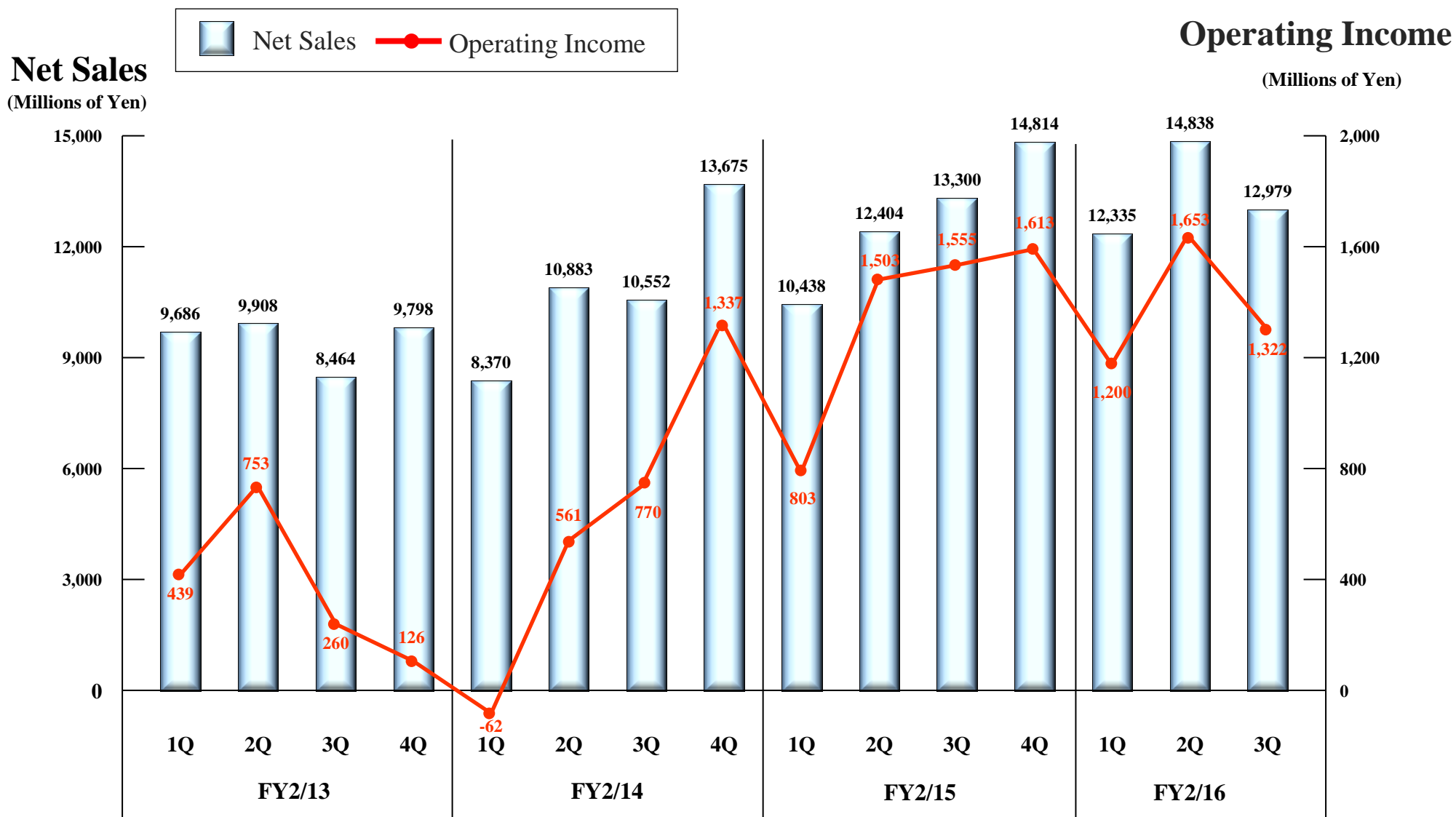
(Millions of Yen)

	FY2/15 Actual								FY2/16 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 (%)
<b>Sales</b>																		
Special Products	2,694		2,904		3,128		8,727		2,766		2,630		2,932		8,329		(397)	(4.6)
Machine Tools	6,651		8,272		8,897		23,821		8,289		10,948		8,833		28,072		4,250	17.8
Precision Products	1,093		1,227		1,274		3,595		1,278		1,259		1,212		3,751		156	4.3
Cloud Services	-		-		-		-		-		-		-		-		-	-
<b>Total</b>	10,438		12,404		13,300		36,143		12,335		14,838		12,979		40,152		4,008	11.1
<b>Operating Income</b>																		
Special Products	470	17.5	476	16.4	574	18.4	1,521	17.4	400	14.5	323	12.3	541	18.5	1,265	15.2	(256)	(16.8)
Machine Tools	776	11.7	1,397	16.9	1,331	15.0	3,505	14.7	1,207	14.6	1,769	16.2	1,266	14.3	4,242	15.1	737	21.0
Precision Products	140	12.8	194	15.8	275	21.6	609	17.0	194	15.2	165	13.1	169	14.0	529	14.1	(80)	(13.2)
Cloud Services	-	-	-	-	-	-	-	-	(30)	-	(56)	-	(45)	-	(131)	-	(131)	-
Eliminations or Corporate	(583)		(564)		(626)		(1,774)		(572)		(548)		(609)		(1,730)		43	
<b>Total</b>	803	7.7	1,503	12.1	1,555	11.7	3,862	10.7	1,200	9.7	1,653	11.1	1,322	10.2	4,175	10.4	312	8.1
<b>Ordinary Income</b>	844	8.1	1,658	13.4	1,867	14.0	4,371	12.1	911	7.4	1,560	10.5	1,313	10.1	3,785	9.4	(586)	(13.4)
<b>Net Income</b>	655	6.3	1,459	11.8	1,394	10.5	3,509	9.7	797	6.5	1,058	7.1	867	6.7	2,724	6.8	(785)	(22.4)

\* Special Products is including Cloud Services in consolidated earning report and other disclosure information.

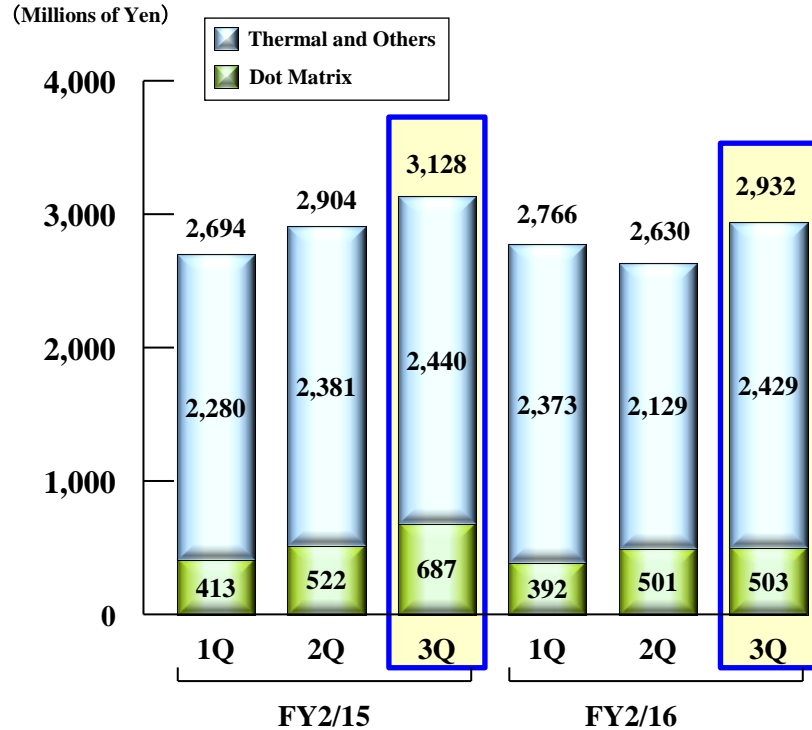
Exchange Rate	US\$	¥ 102.96				¥ 120.90	
	EUR	¥139.54				¥134.77	
	GBP	¥171.86				¥185.34	
	CHF	¥114.55				¥127.08	

# Quarterly Information (Net Sales and Operating Income)





## Sales

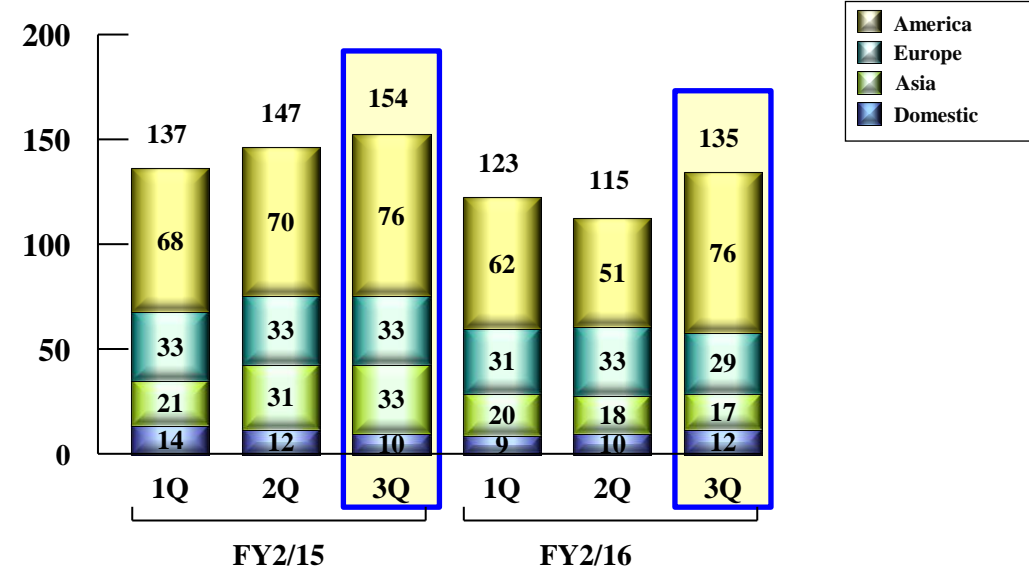


- The decline in sales mainly reflected the negative impact of inventory adjustments by sales agents in the U.S. market and a slow pace of recovery in the European market.
- In the Asian market, sales declined due mainly to the sluggish performance in China.
- Owing to such factors as the absence of large-scale orders, sales in the domestic Japanese market also declined.

※The above comments relate to the first three quarters of fiscal 2016

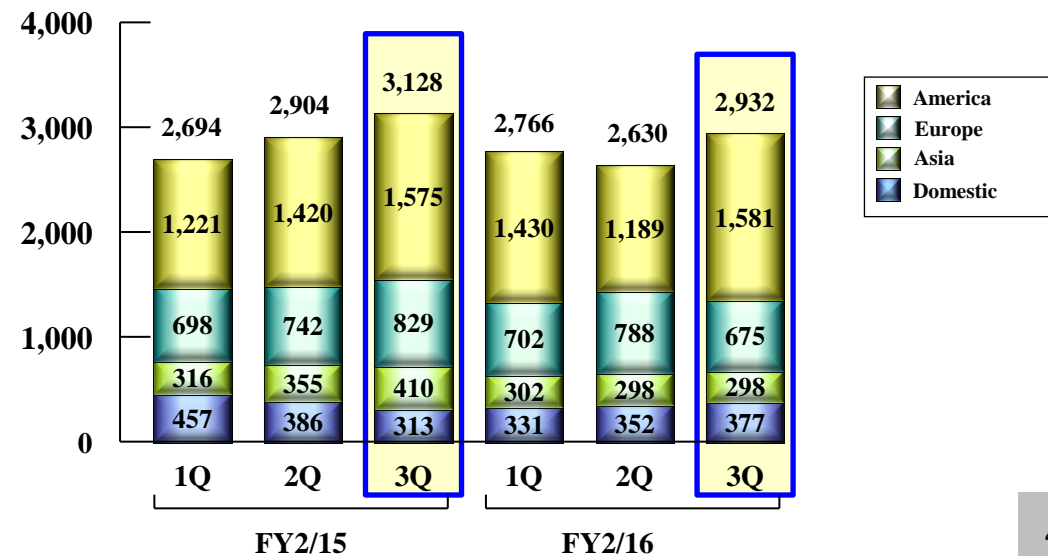
## Sales Volume by Region

(Thousand Units)



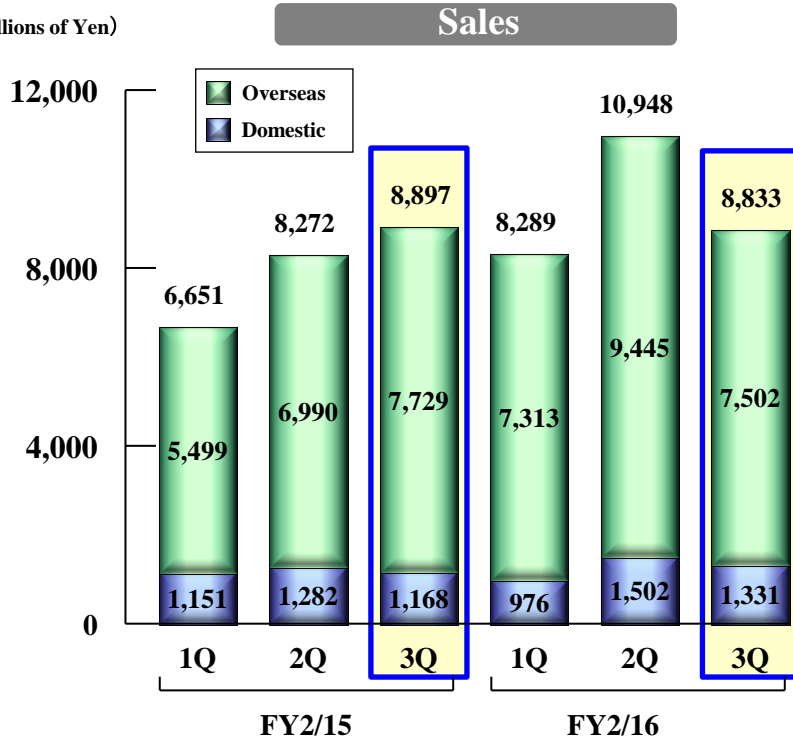
(Millions of Yen)

## Sales by Region

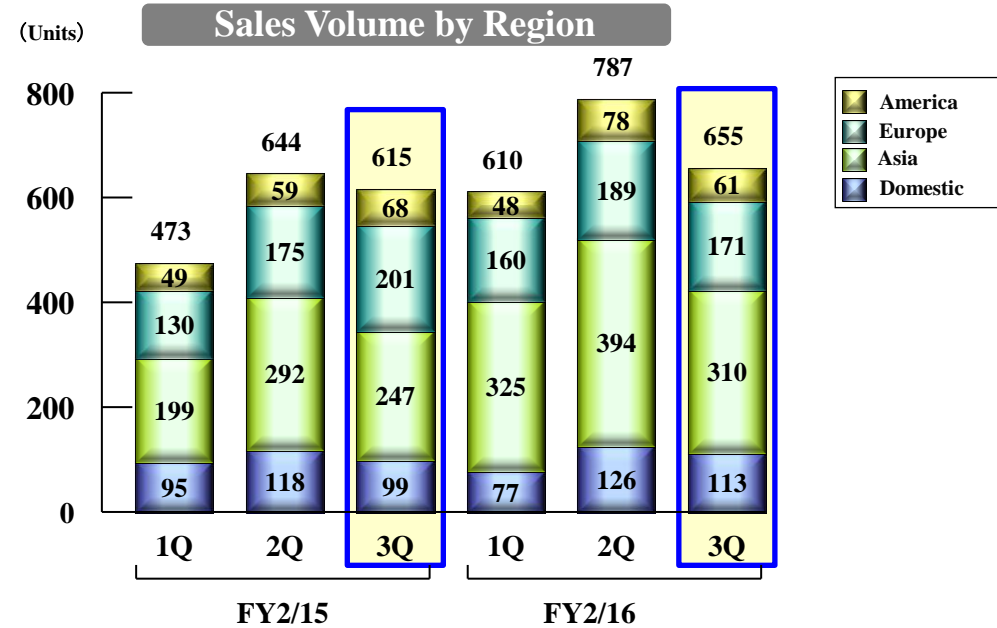




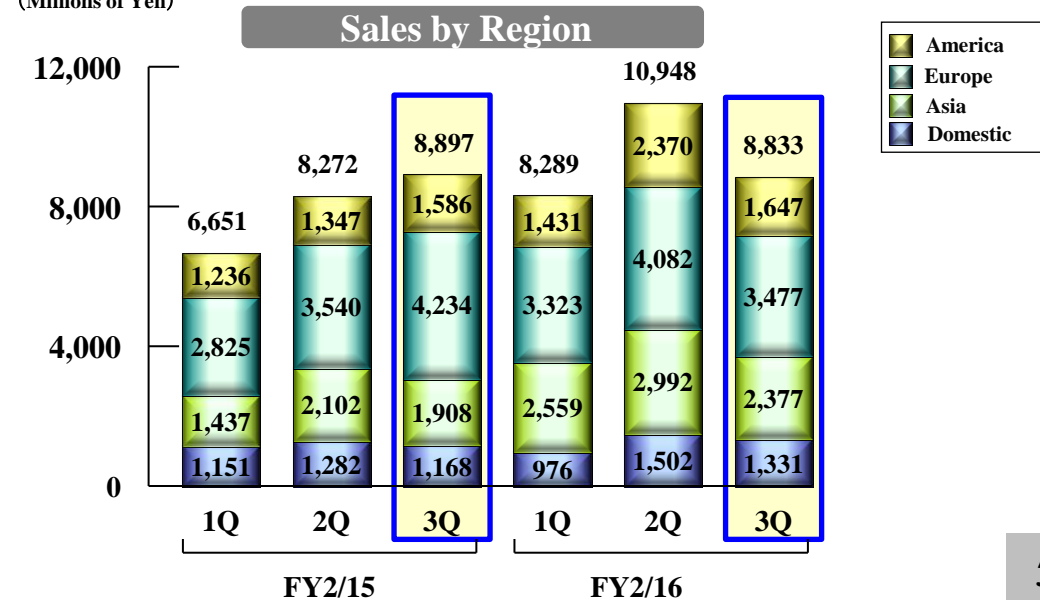
(Millions of Yen)



(Units)



(Millions of Yen)

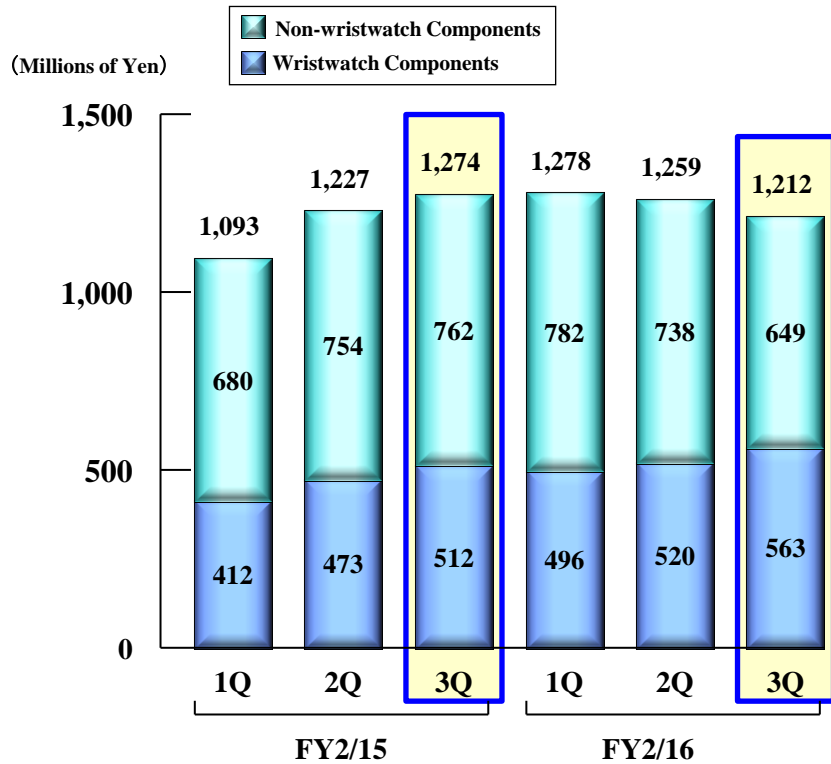


- Sales in the U.S. increased substantially due to the weak yen and firm sales in the medical equipment-related sector.
- In Europe, sales were steady compared with the corresponding period of the previous fiscal year, mainly on the back of solid sales in the automotive-related sector.
- Sales grew significantly in the Asian market, which was largely attributable to strong sales in the automotive-related sector, mainly in East Asia.
- Sales rose in Japan amid firm market conditions, mainly in the automotive-related sector.

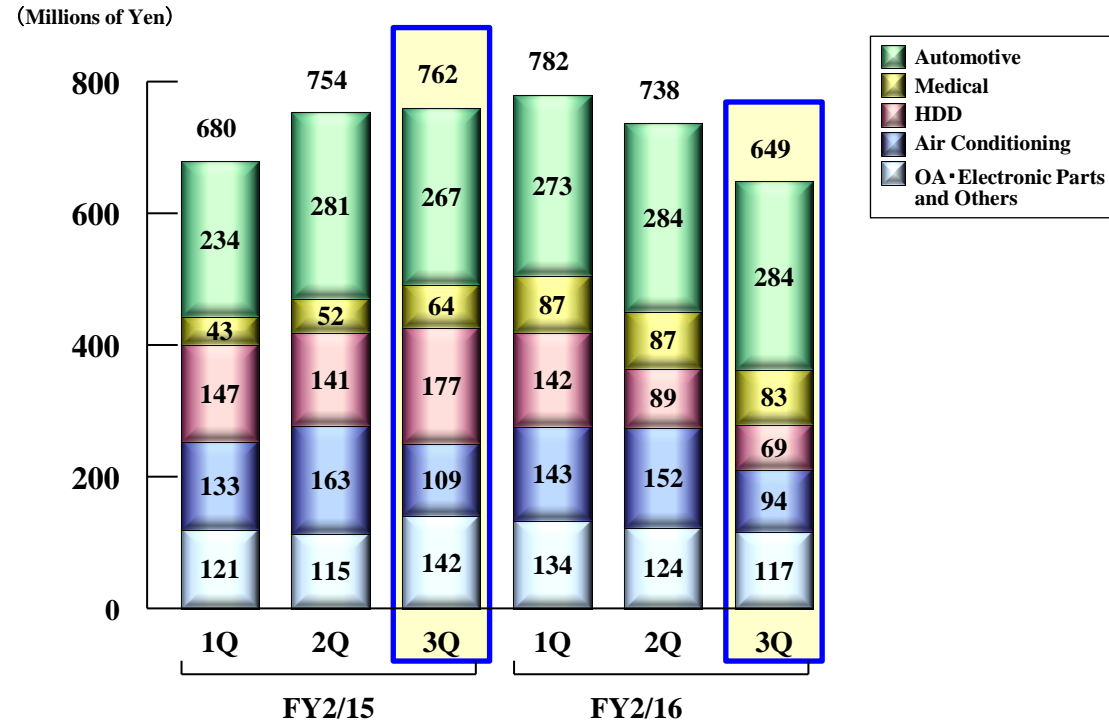
※The above comments relate to the first three quarters of fiscal 2016



## Sales



## Sales of Non-wristwatch Components



- Sales of wristwatch components increased due to strong sales to wristwatch makers.
- Despite a boost from the weak yen, sales of non-wristwatch components declined slightly due to a slump in sales of components for HDDs.

※The above comments relate to the first three quarters of fiscal 2016

## Special Products



POS Printer  
TSP100ECO

Mobile Printer  
SM-S210i



Cash Drawer and Receipt Printer  
mPOP



## Machine Tools



CNC Swiss Type Automatic Lathe  
ST-20



CNC Swiss Type Automatic Lathe  
SR-38 type B



CNC Swiss Type Automatic Lathe  
SW-12RII

## Precision Products

Wristwatch Components



Non-Wristwatch Components

(Automotive, Air Conditioning, HDD and Medical Components)



(Automotive Components)