

# Financial Results for the Fiscal Year 2018 First Quarter

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STAR MICRONICS CO., LTD.

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

Code 7718

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# Financial Data



(Millions of Yen)

		FY2/17								FY2/18		Change (%) YoY
		1Q Actual		2Q Actual		3Q Actual		4Q Actual		1Q Actual		
		Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	
<b>Net Sales</b>	Special Products	2,770		2,842		2,854		2,614		2,953		6.6
	Machine Tools	7,207		7,979		8,255		10,187		9,494		31.7
	Precision Products	1,058		1,121		1,044		1,001		1,027		(2.9)
	Cloud Services*	-		-		-		-		-		-
	<b>Total</b>	11,036		11,943		12,154		13,803		13,475		22.1
<b>Operating Income</b>	Special Products	473	17.1	472	16.6	532	18.6	224	8.6	465	15.8	(1.8)
	Machine Tools	926	12.9	1,069	13.4	912	11.1	1,463	14.4	1,293	13.6	39.6
	Precision Products	77	7.3	85	7.6	91	8.7	30	3.0	87	8.5	12.3
	Cloud Services*	(84)	-	(59)	-	(122)	-	(91)	-	(70)	-	-
	Eliminations or Corporate	(590)		(563)		(568)		(673)		(673)		
	<b>Total</b>	802	7.3	1,003	8.4	846	7.0	953	6.9	1,102	8.2	37.3
<b>Ordinary Income</b>		751	6.8	731	6.1	980	8.1	1,119	8.1	1,160	8.6	54.5
<b>Net Income Attributable to Owners of Parent</b>		653	5.9	407	3.4	1,103	9.1	1,017	7.4	837	6.2	28.2

\*Cloud Services is included in Special Products in consolidated earnings report and other disclosure information.

<b>Exchange Rate</b>	<b>US\$</b>	¥115.45						¥113.64	
	<b>EUR</b>	¥127.18						¥121.08	
	<b>GBP</b>	¥165.24						¥140.80	
	<b>CHF</b>	¥116.07						¥113.20	

# Quarterly Information (Net Sales and Operating Income)



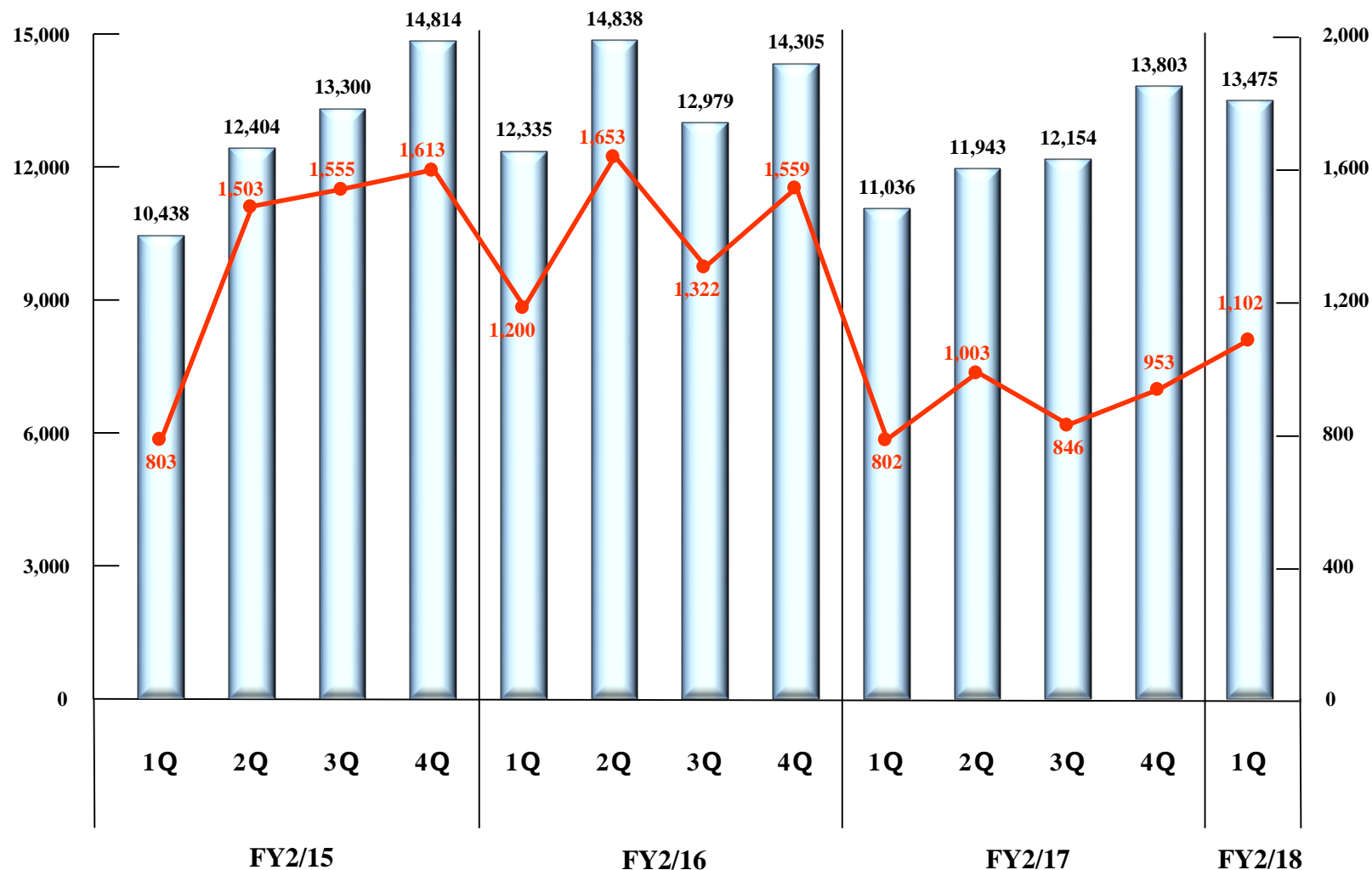
## Net Sales

(Millions of Yen)

Net Sales    Operating Income

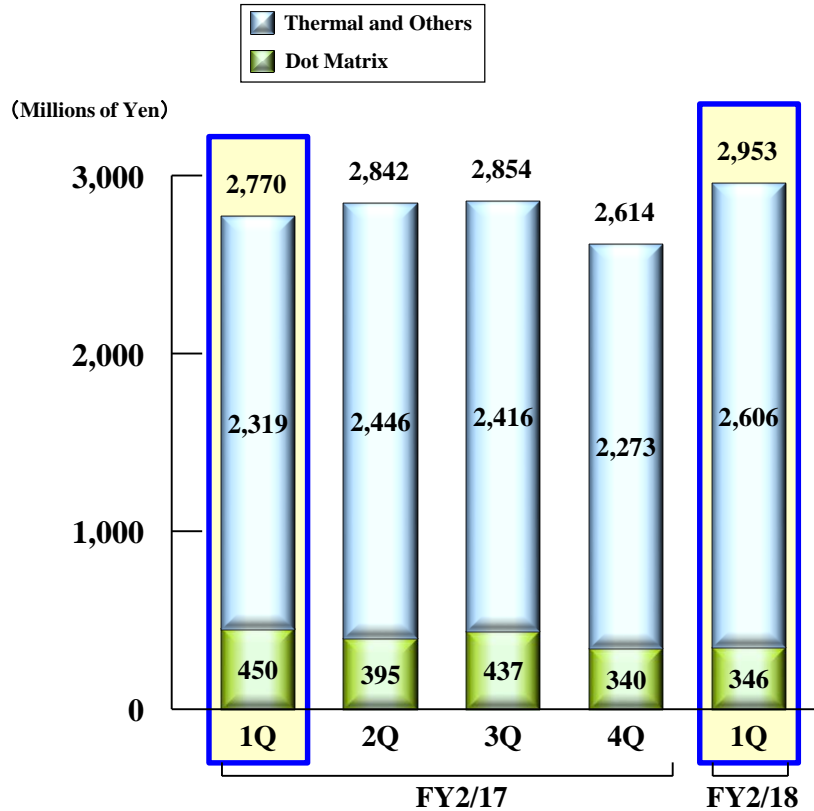
## Operating Income

(Millions of Yen)





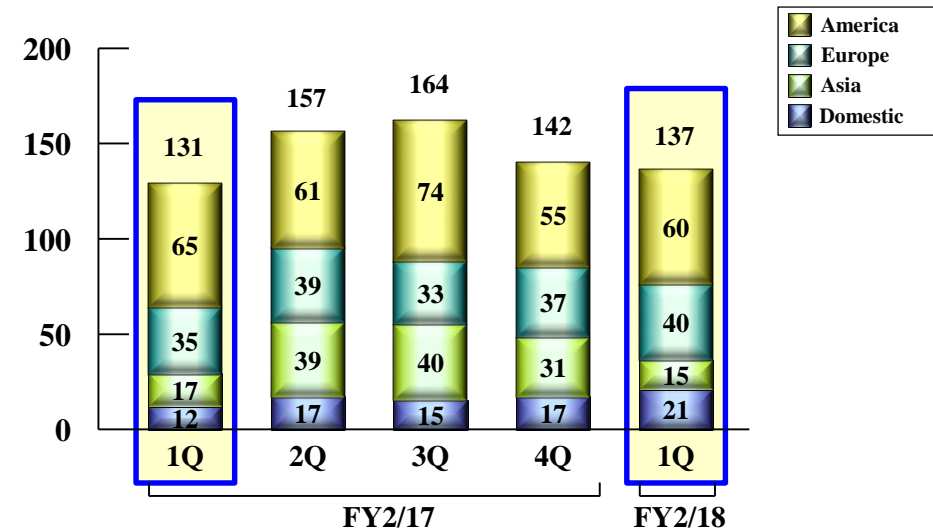
## Sales



- Sales in the U.S. market decreased due to the impact of inventory adjustments by sales agents.
- Sales in the European market increased despite the effect of the strong yen. This was mainly attributable to the recovery trend in market conditions mainly in developed countries.
- In the Asian market, sales in China declined. However, sales in Japan increased substantially on the back of robust mPOS related sales.

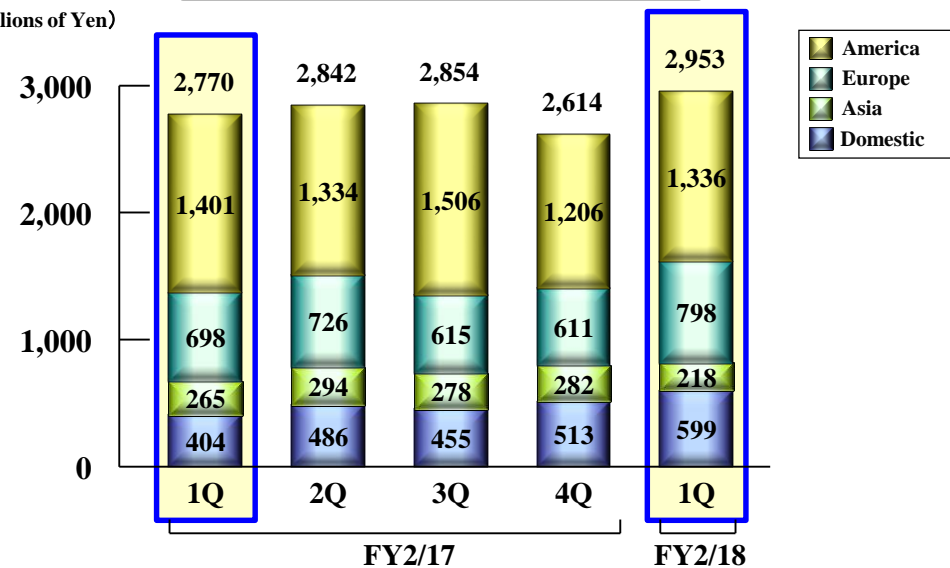
## Sales Volume by Region

(Thousand Units)



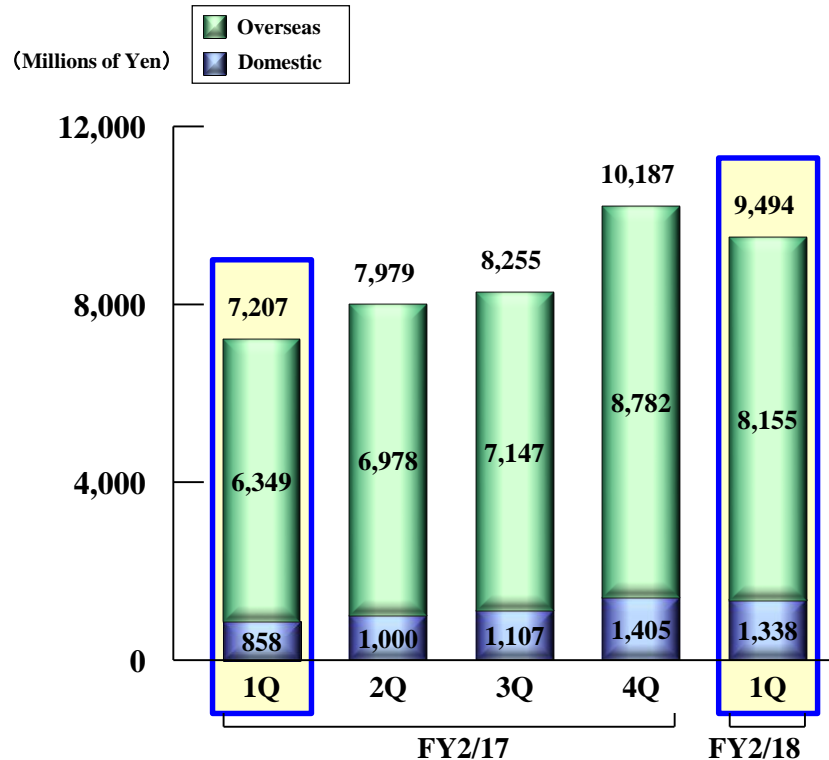
## Sales by Region

(Millions of Yen)



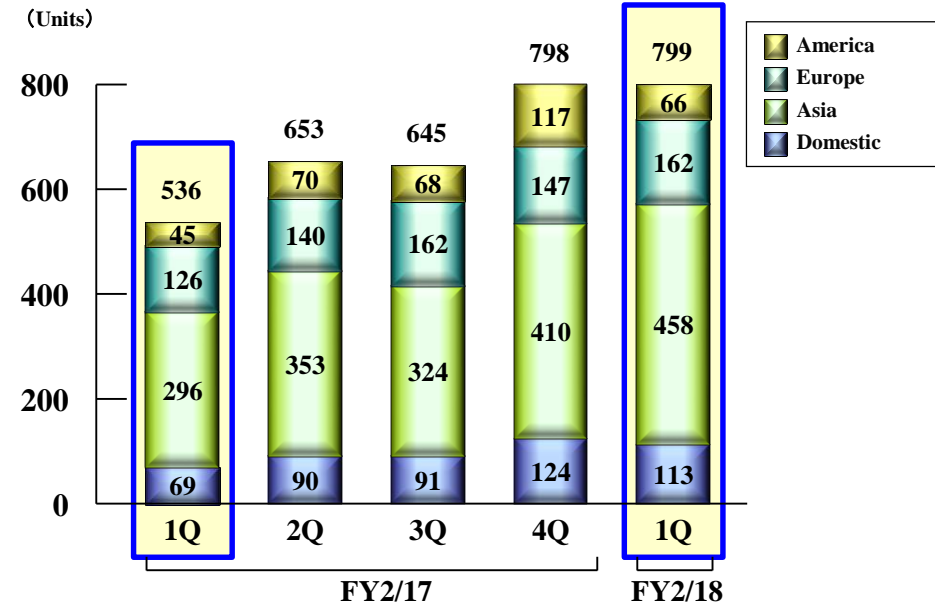


## Sales



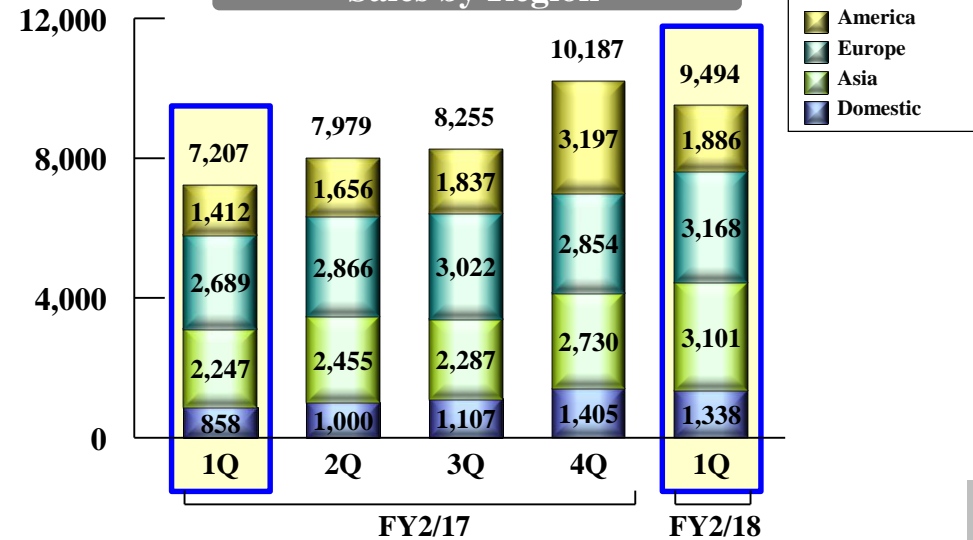
- Sales in the U.S. market increased substantially mainly in the medical equipment-related sector.
- Sales in the European market increased despite the impact of the strong yen. This increase largely reflected capital expenditures mainly in automotive-related sectors in major countries.
- Sales in the Asian market increased substantially. This was largely attributable to strong sales in the automotive-related sector in China.
- Sales in the Japanese market also increased substantially mainly in the automotive-related sector.

## Sales Volume by Region



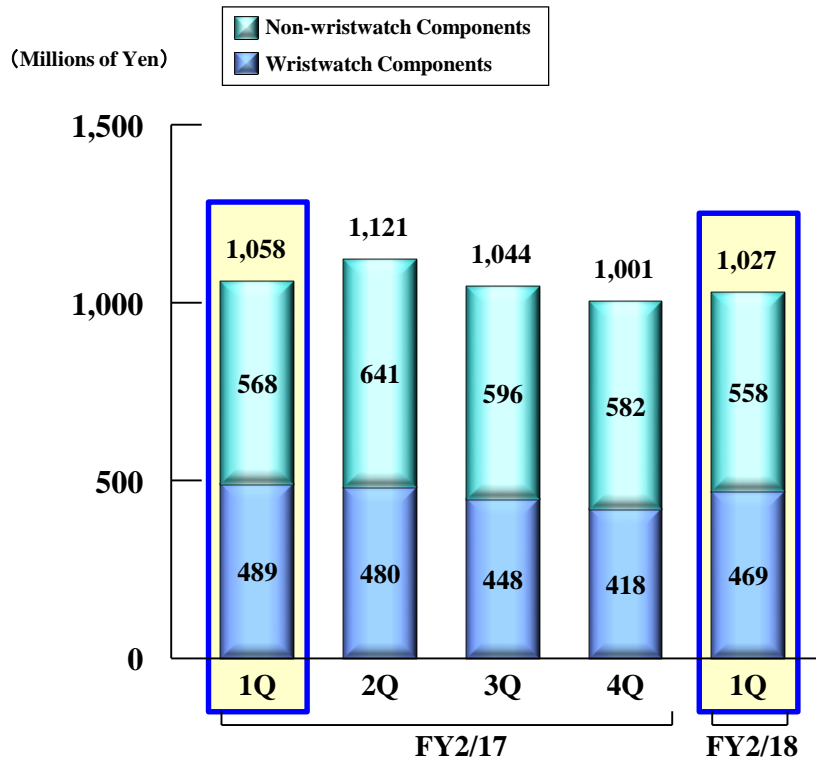
(Millions of Yen)

## Sales by Region

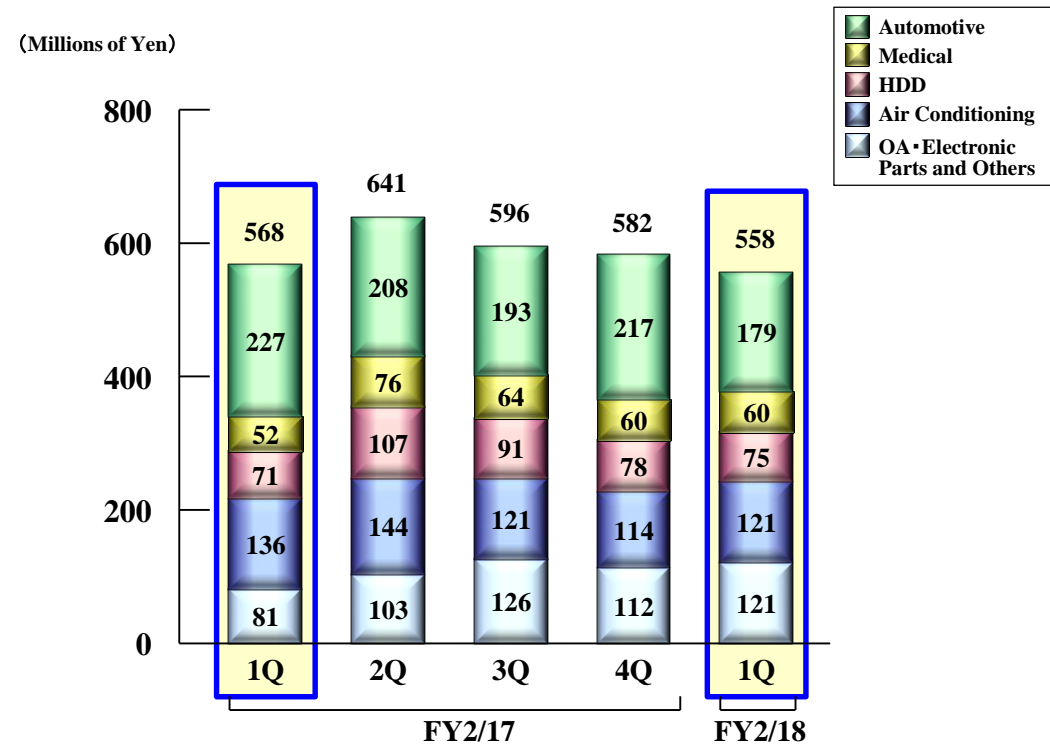




## Sales



## Sales of Non-wristwatch Components



- Sales of wristwatch components declined owing to the ongoing impact of production adjustments by wristwatch manufacturers.
- Sales of non-wristwatch components were held to roughly the same level as the corresponding period of the previous fiscal year. Despite robust sales trends in medical-related components, this result was largely attributable to the decline in automotive and air conditioning components.

# Reference: Business Segments and Products

## Special Products



Cash Drawer and Receipt Printer  
mPOP



POS Printer  
TSP100III



Mobile Printer  
SM-L200

## Machine Tools



CNC Swiss Type Automatic Lathe  
SV-20R



CNC Swiss Type Automatic Lathe  
SR-38 type B



CNC Swiss Type Automatic Lathe  
SR-32JII type B

## Precision Products

### Wristwatch Components



### Non-Wristwatch Components

(Automotive, Air Conditioning, HDD and Medical Components)



(Automotive Components)