

Financial Results for the FY2022

Third Quarter

STAR MICRONICS CO., LTD.

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

Code 7718

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* The projections in this document are based on information available at the time of release of this report and certain assumptions the Company considers reasonable.

* The Company does not promise that these projections will be achieved. Actual results may differ materially from projections due to a variety of factors.

Financial Results for the FY2022 Third Quarter

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Substantial Increases in Sales and Profits Year on Year

| | | |
|---|----------------|--------------|
| ■ Net Sales | ¥61.65 billion | 35.1% up YoY |
| ■ Operating Income | ¥9.28 billion | 72.2% up YoY |
| ■ Ordinary Income | ¥9.21 billion | 66.4% up YoY |
| ■ Net Income Attributable to Owners of Parent | ¥6.57 billion | 53.4% up YoY |

- ✓ **Sales of Machine Tools Segment jumped significantly in both overseas and domestic markets. Furthermore, thanks to the yen's depreciation, sales and profits increased substantially.**

Consolidated Operating Results and Business Forecast



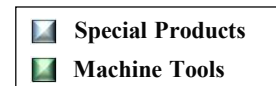
(Millions of Yen)

| | | Third Quarter | | | | | Full-Year | | | | |
|---|---------------------------|---------------|------------------|-----------|------------------|--------------------|-----------|------------------|---|------------------|--------------------|
| | | FY12/2021 | | FY12/2022 | | | FY12/2021 | | FY12/2022 Forecasts | | |
| | | Actual | | Actual | | | Actual | | Revised Forecast (Announced on August 9) | | |
| | | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Rate of Change (%) | Amount | Income Ratio (%) | Amount | Income Ratio (%) | Rate of Change (%) |
| Net Sales | Special Products | 11,991 | | 11,917 | | (0.6) | 15,569 | | 15,890 | | 2.1 |
| | Machine Tools | 33,655 | | 49,740 | | 47.8 | 48,790 | | 64,610 | | 32.4 |
| | Total | 45,647 | | 61,657 | | 35.1 | 64,360 | | 80,500 | | 25.1 |
| Operating Income | Special Products | 2,261 | 18.9 | 2,136 | 17.9 | (5.5) | 2,282 | 14.7 | 2,570 | 16.2 | 12.6 |
| | Machine Tools | 4,402 | 13.1 | 8,613 | 17.3 | 95.6 | 6,857 | 14.1 | 10,580 | 16.4 | 54.3 |
| | Eliminations or Corporate | (1,270) | | (1,463) | | | (1,725) | | (2,350) | | |
| | Total | 5,393 | 11.8 | 9,286 | 15.1 | 72.2 | 7,415 | 11.5 | 10,800 | 13.4 | 45.6 |
| Ordinary Income | | 5,540 | 12.1 | 9,219 | 15.0 | 66.4 | 7,795 | 12.1 | 11,100 | 13.8 | 42.4 |
| Net Income Attributable to Owners of Parent | | 4,286 | 9.4 | 6,572 | 10.7 | 53.4 | 5,740 | 8.9 | 7,900 | 9.8 | 37.6 |
| ROE (%) | | - | | - | | | 10.4 | | 12.3 | | |
| Cash Dividends Applicable to the Year | | - | | - | | | ¥58 | | ¥60 | | |
| Exchange Rate | US \$ | ¥108.50 | | ¥128.05 | | | ¥109.80 | | ¥123.95 | | |
| | EUR | ¥129.82 | | ¥135.95 | | | ¥129.88 | | ¥132.13 | | |
| | GBP | ¥150.33 | | ¥160.57 | | | ¥151.07 | | ¥157.23 | | |
| | CHF | ¥119.09 | | ¥134.44 | | | ¥120.14 | | ¥130.04 | | |

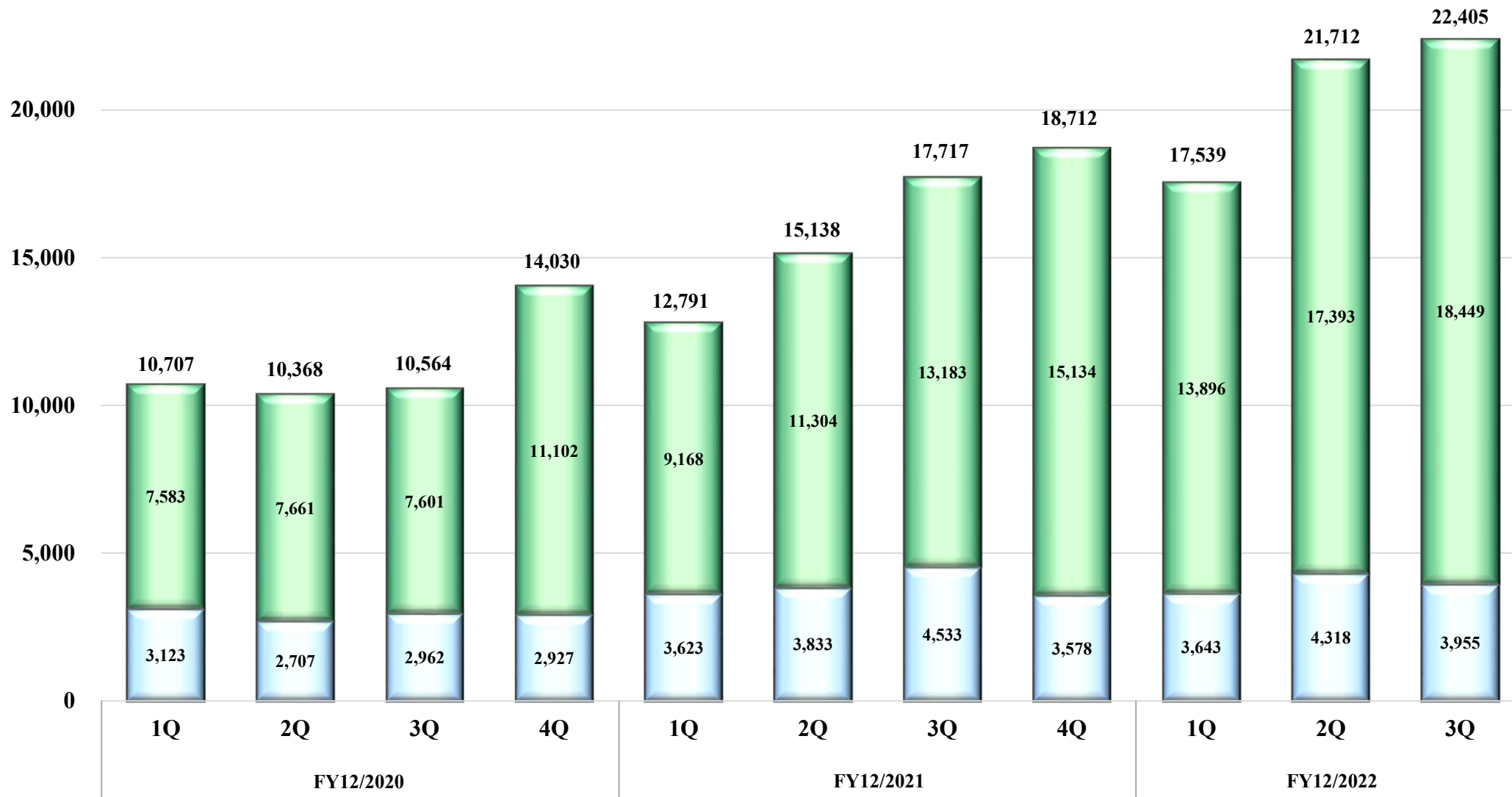
Quarterly Information (Net Sales)



Net Sales



(Millions of Yen)





Net Sales

Net Sales Volume



<Quarterly>

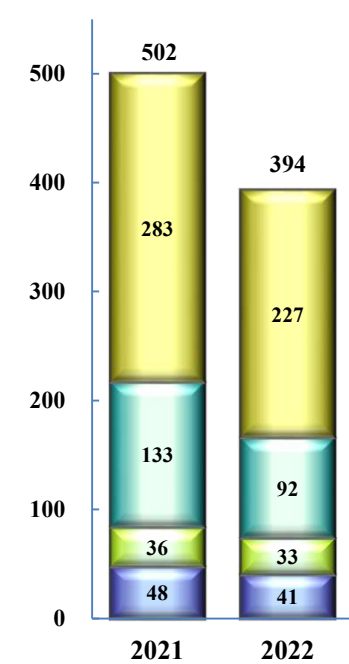
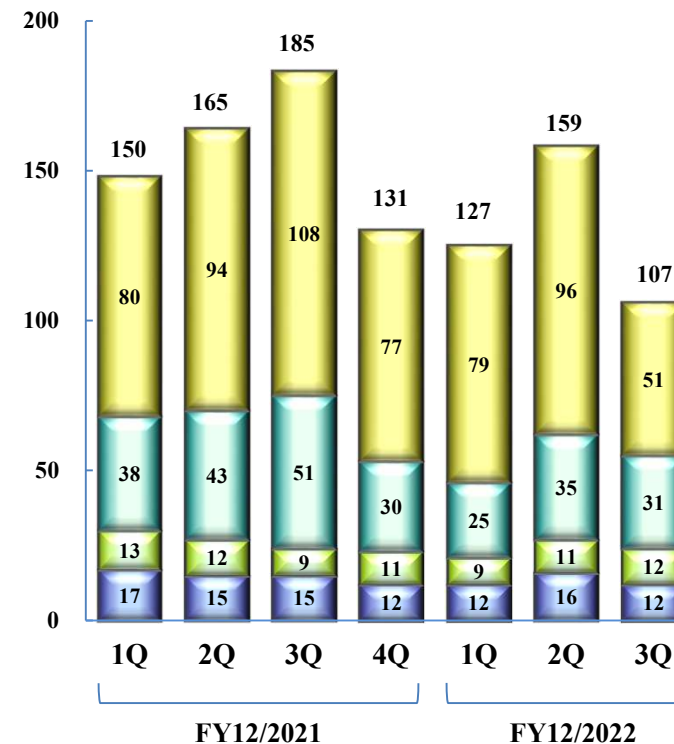
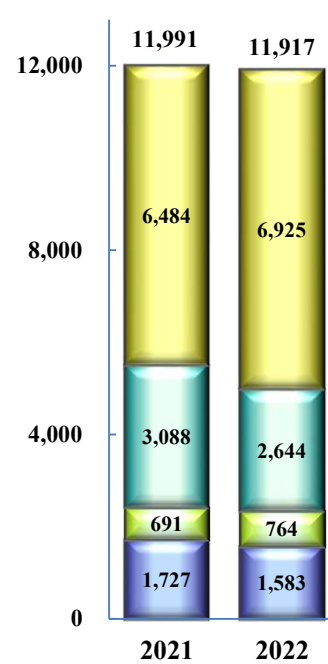
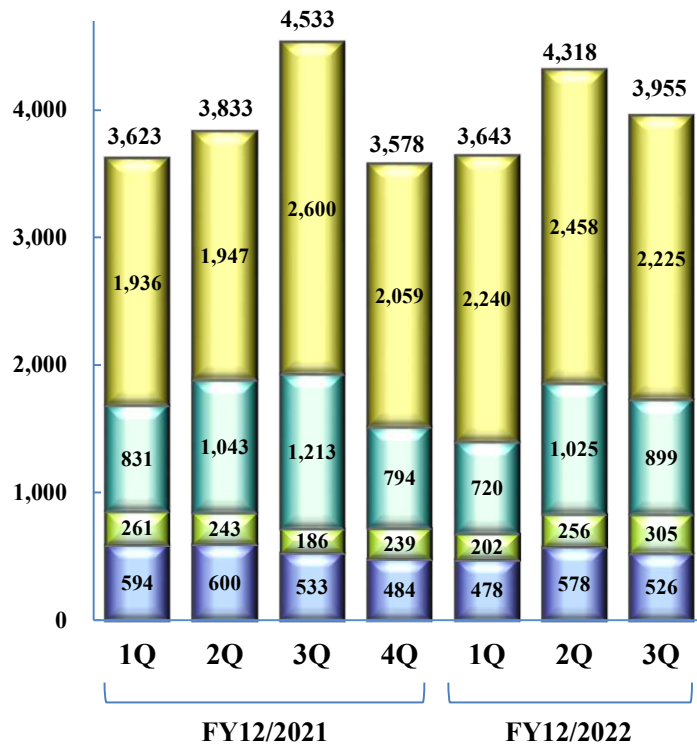
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(Millions of Yen)

(Thousands of Units)



- In the U.S. market, sales increased due in part to the impact of the yen's depreciation, although product shortages also had an effect.
- In the European and domestic markets, conditions were favorable, yet sales decreased due to shortages in the supply of products.



Net Sales

Net Sales Volume



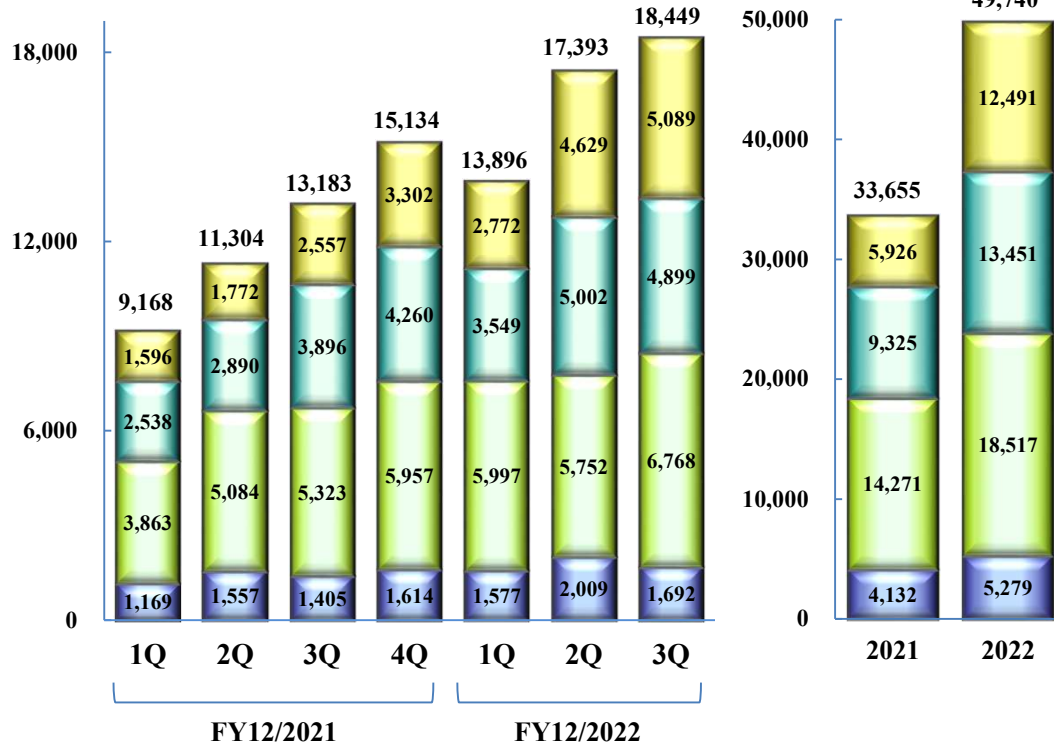
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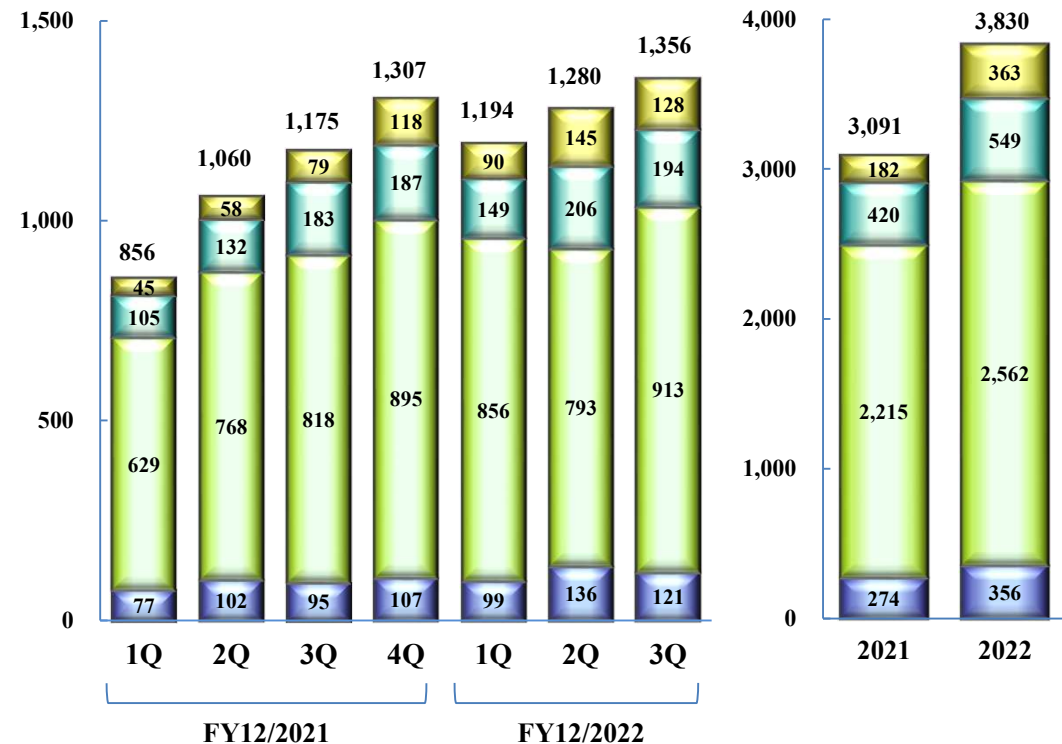
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(Millions of Yen)



(Units)



- In the U.S. market, sales were strong in a wide range of industries centered on the medical-related sector.
- In the European market, sales were robust in mainly the automotive-related industries.
- In the Asian market, sales grew substantially due to continued high levels in mainly automotive-related industries despite the temporary impact of lockdowns in China.
- In the domestic market, sales significantly increased in a wide range of industries.

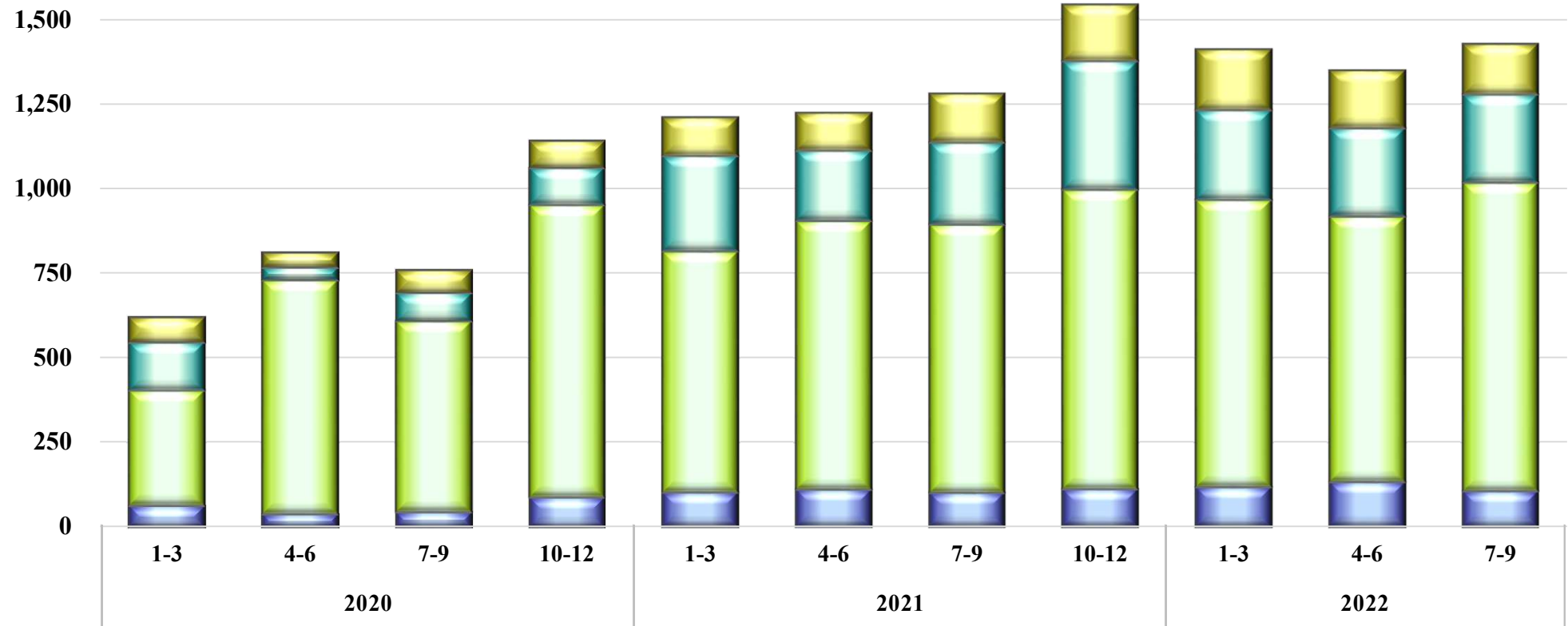
Reference

Trends in Quarterly Machine Tool Orders



(Ordered Unit)

(Units)



| | 2020 | | | | 2021 | | | | 2022 | | |
|-----------------|------|-----|-----|-------|-------|-------|-------|-------|-------|-------|-------|
| | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | 4-6 | 7-9 |
| America | 74 | 44 | 67 | 80 | 114 | 111 | 144 | 167 | 179 | 171 | 149 |
| Europe | 142 | 37 | 83 | 110 | 282 | 208 | 242 | 380 | 265 | 261 | 260 |
| Asia | 340 | 690 | 563 | 863 | 712 | 793 | 792 | 884 | 848 | 785 | 911 |
| Domestic | 63 | 38 | 44 | 88 | 102 | 111 | 101 | 112 | 118 | 133 | 106 |
| Total | 619 | 809 | 757 | 1,141 | 1,210 | 1,223 | 1,279 | 1,543 | 1,410 | 1,350 | 1,426 |

Special Products



Cash Drawer and Receipt Printer
mPOP



POS Printer
TSP100IV series



Melody Speaker
mC-Sound



Blue back-lit, LCD display
SCD222U

Machine Tools



CNC Swiss Type Automatic Lathe
SL-10



CNC Swiss Type Automatic Lathe
SD-26 type S



CNC Swiss Type Automatic Lathe
SX-38 type B