

Notice Regarding Differences between Consolidated Forecasts and Actual Results for the 1st Half of FY2022 and Revision to Consolidated Forecasts for the Full FY2022

STAR MICRONICS CO., LTD. hereby provides a notice regarding differences between the consolidated business results forecasts for the first half of fiscal 2022 (January 1, 2022 to December 31, 2022), announced on February 9, 2022 and the actual results announced today.

The Company hereby announces that it has also revised its full-year consolidated business results forecasts for fiscal 2022 announced on February 9, 2022.

1. Difference between Consolidated Business Forecasts and Actual Results for the First Half of Fiscal 2022 (January 1, 2022 to June 30, 2022)

	Net Sales (Millions of yen)	Operating Income (Millions of yen)	Ordinary Income (Millions of yen)	Net Income Attributable to Owners of Parent (Millions of yen)	Net Income Per Share (Yen)
Previous Forecasts: A	34,700	4,400	4,500	3,300	85.97
Results: B	39,252	5,722	5,971	4,209	109.91
Change: B-A	4,552	1,322	1,471	909	
Change: B vs. A (%)	13.1	30.1	32.7	27.6	
(Reference) FY 2021 Second-quarter	27,930	2,630	2,872	2,114	57.61

2. Revision of Consolidated Business Forecasts for Full-year Fiscal 2022 (January 1, 2022 to December 31, 2022)

	Net Sales (Millions of yen)	Operating Income (Millions of yen)	Ordinary Income (Millions of yen)	Net Income Attributable to Owners of Parent (Millions of yen)	Net Income Per Share (Yen)
Previous Forecasts: A	69,100	8,800	8,900	6,400	168.55
Revised Forecasts: B	80,500	10,800	11,100	7,900	207.99
Change: B-A	11,400	2,000	2,200	1,500	
Change: B vs. A (%)	16.5	22.7	24.7	23.4	
(Reference) FY 2021	64,360	7,415	7,795	5,740	150.83

3. Reasons

Looking at consolidated business results for the first half of fiscal 2022, both net sales and earnings exceeded previous forecasts owing to favorable market conditions across a wide range of industries in the Special Products and Machine Tools segments as well as the impact of foreign currency exchange rates.

As far as business results forecasts for the full-year of fiscal 2022 are concerned, and despite the lingering uncertainty surrounding such factors as the procurement of components, in light of actual business results for the first half of the fiscal year under review and expectations that market conditions will remain robust in the third quarter and beyond in the Special Products and Machine Tools segments as well as the impact of foreign currency exchange rates, both net sales and earnings are projected to exceed previous business results forecasts. Moreover, the Company has revised its foreign currency exchange rate assumptions that underpin business results forecasts for the third quarter and beyond of fiscal 2022 from ¥110 to ¥125 to US\$1 and from ¥125 to ¥130 to 1 euro.

Please refer to the supplementary information on the next page for earnings forecasts by segment.

*Figures less than one million yen are rounded down. The above forecasts are based on information available to management at the time of release. Investors are warned that a number of uncertainties may cause actual results to differ materially from forecasts.

(Supplemental Information)
 Consolidated Forecasts (By Segment)

(Millions of yen)

		Full-year Fiscal 2022			
		Previous Forecasts	Revised Forecasts	Change	
				Amount	(%)
Special Products	Net Sales	13,340	15,890	2,550	19.1
	Operating Income	1,570	2,570	1,000	63.7
	Income Ratio (%)	11.8	16.2		
Machine Tools	Net Sales	55,760	64,610	8,850	15.9
	Operating Income	9,270	10,580	1,310	14.1
	Income Ratio (%)	16.6	16.4		
Eliminations or Corporate		(2,040)	(2,350)	(310)	
Consolidated	Net Sales	69,100	80,500	11,400	16.5
	Operating Income	8,800	10,800	2,000	22.7
	Income Ratio (%)	12.7	13.4		