

Financial Results for the FY2024

First Quarter

STAR MICRONICS CO., LTD.

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

Code 7718

May 14, 2024

* 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 FY2024 First Quarter

- **Overview of the FY2024 First Quarter** P.2
- **Consolidated Operating Results** P.3
- **Quarterly Information (Net Sales)** P.4
- **Segment Overview**
- Special Products** P.5
- Machine Tools** P.6

Reference

- **Trends in Quarterly Machine Tool Orders** P.8
- **Business Segments and Products** P.9

Substantial decreases in Sales and Profits Year on Year

■ Net Sales	¥13.92 billion	34.1% down YoY
■ Operating Income	¥0.77 billion	81.1% down YoY
■ Ordinary Income	¥0.99 billion	76.9% down YoY
■ Net Income Attributable to Owners of Parent	¥0.62 billion	80.3% down YoY

- ✓ **Sales and profits decreased substantially in Special Products Segment mainly due to sluggish mPOS demand.**
- ✓ **Sales and profits of Group's mainstay Machine Tools Segment decreased substantially owing to sluggishness in the U.S. and European markets despite the impact of yen's depreciation.**

Consolidated Operating Results



(Millions of Yen)

		FY12/2023								FY12/2024		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 (%)	
Sales	Special Products	4,822		4,160		3,864		3,264		3,346		(30.6)
	Machine Tools	16,294		17,649		13,977		14,163		10,573		(35.1)
	Total	21,116		21,809		17,841		17,428		13,920		(34.1)
Operating Income	Special Products	1,227	25.5	474	11.4	473	12.3	(222)	—	207	6.2	(83.1)
	Machine Tools	3,405	20.9	3,278	18.6	2,252	16.1	1,412	10.0	1,090	10.3	(68.0)
	Eliminations or Corporate	(526)		(479)		(447)		(498)		(522)		
	Total	4,106	19.4	3,273	15.0	2,278	12.8	692	4.0	775	5.6	(81.1)
Ordinary Income		4,324	20.5	3,289	15.1	2,460	13.8	885	5.1	999	7.2	(76.9)
Net Income Attributable to Owners of Parent		3,174	15.0	2,064	9.5	1,826	10.2	1,110	6.4	626	4.5	(80.3)

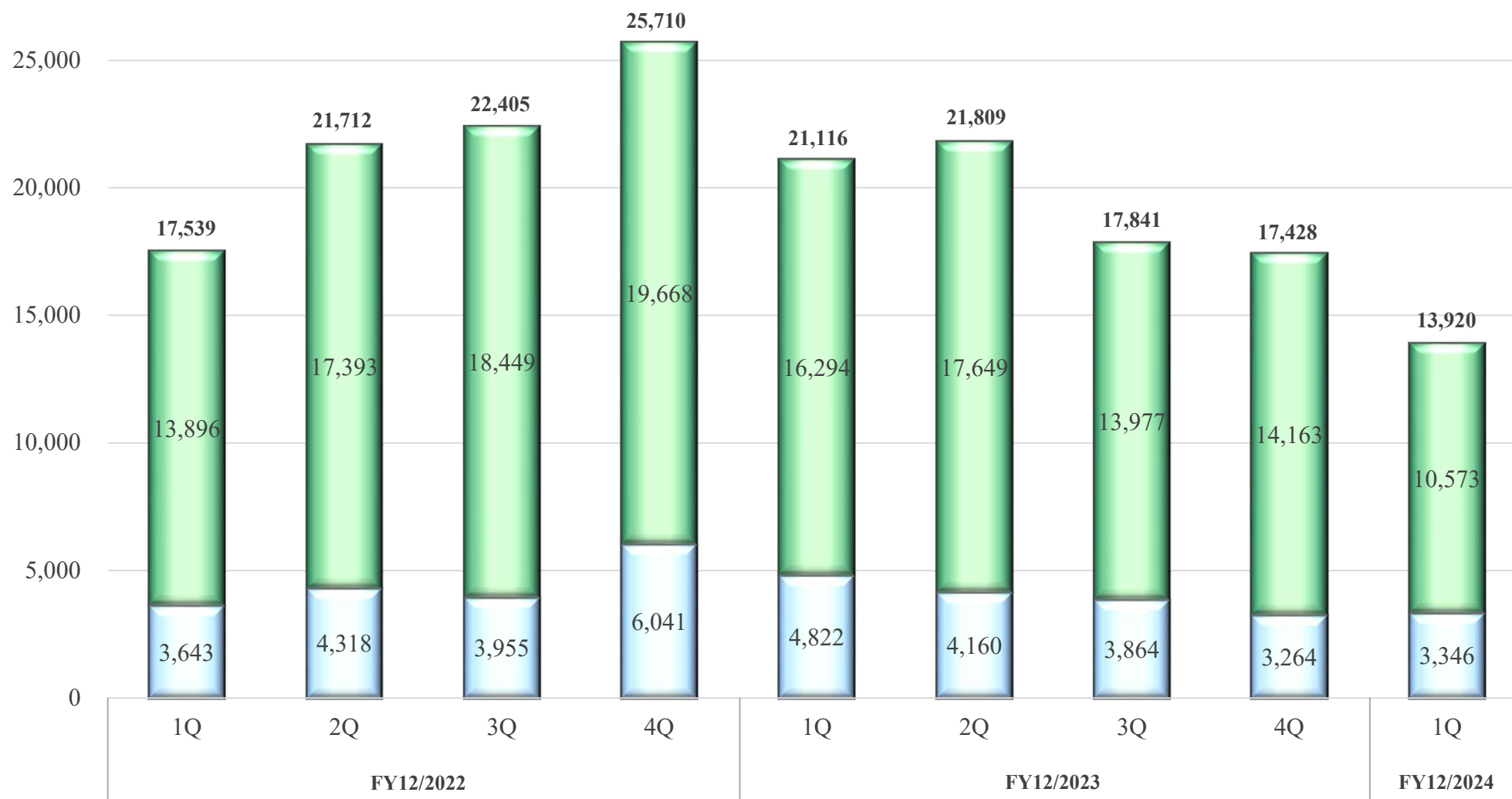
Exchange Rate	US \$	¥132.32						¥148.60	
	EUR	¥142.07						¥161.30	
	GBP	¥160.85						¥188.47	

Quarterly Information (Net Sales)



Net Sales

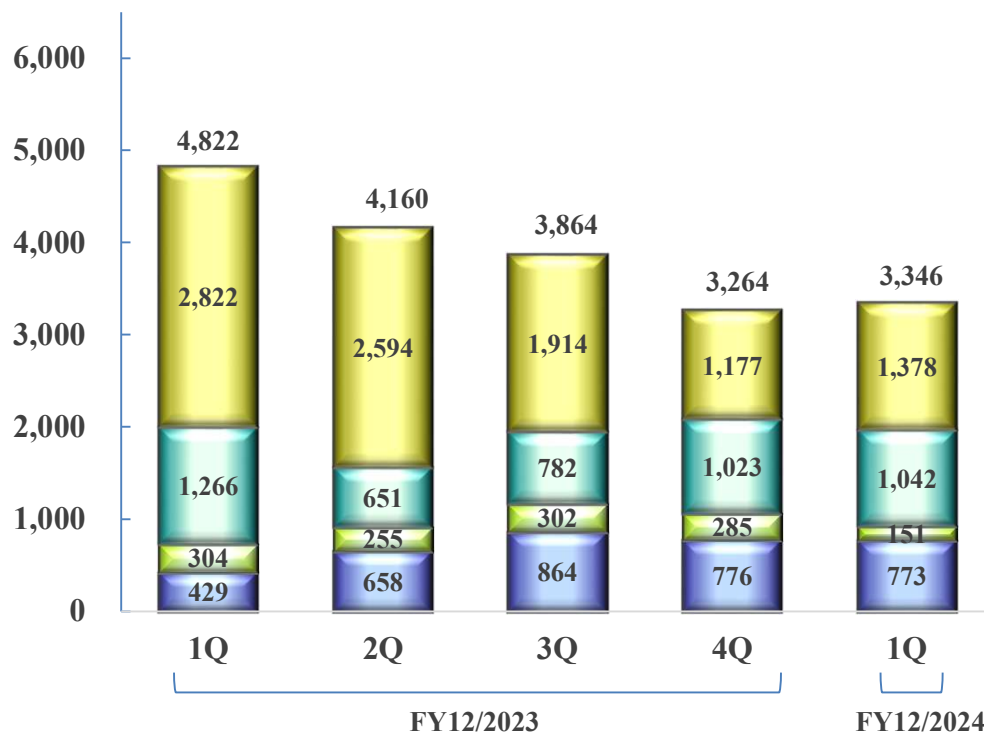
(Millions of Yen)





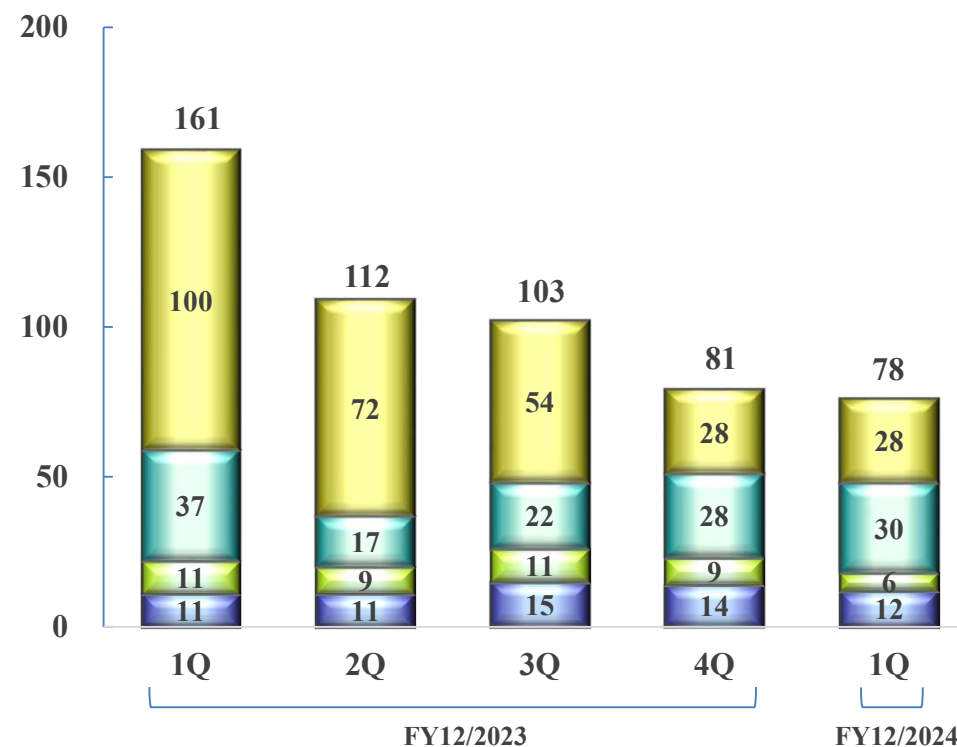
Sales

(Millions of Yen)



Sales Volume

(Thousand Units)

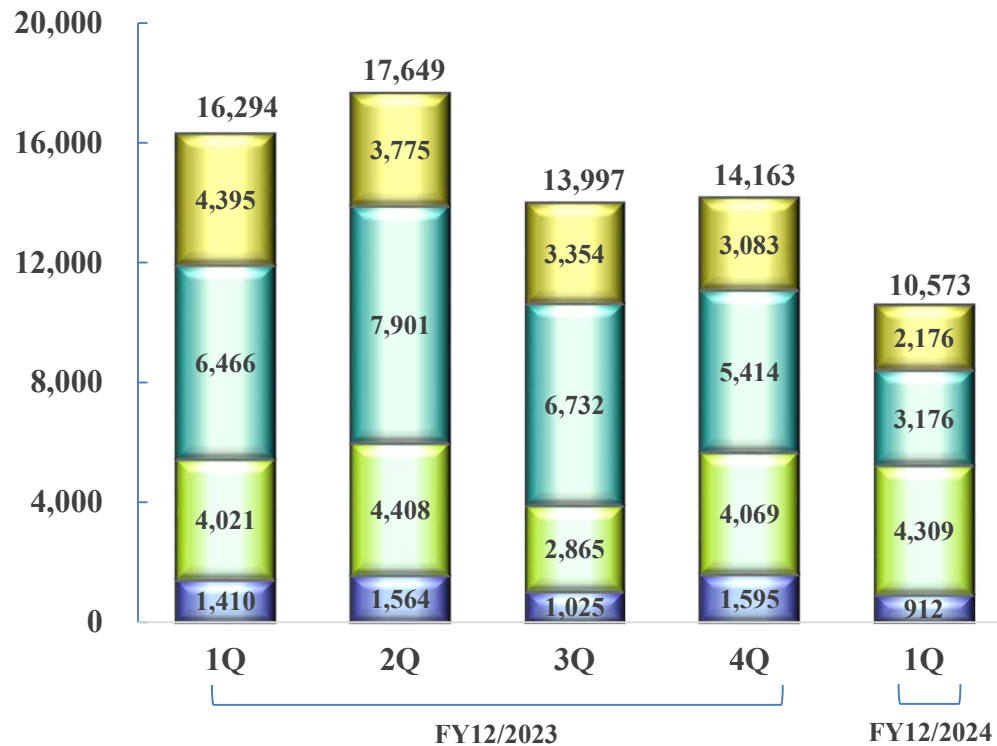


- In the US market, sales decreased significantly due to sluggish mPOS demand.
- In the European market, sales decreased in line with lower demand.
- In the domestic market, despite steady market conditions, sales increased significantly mainly reflecting contributions from Smart Solution Technology, Inc., which was newly consolidated in the second quarter of fiscal 2023.



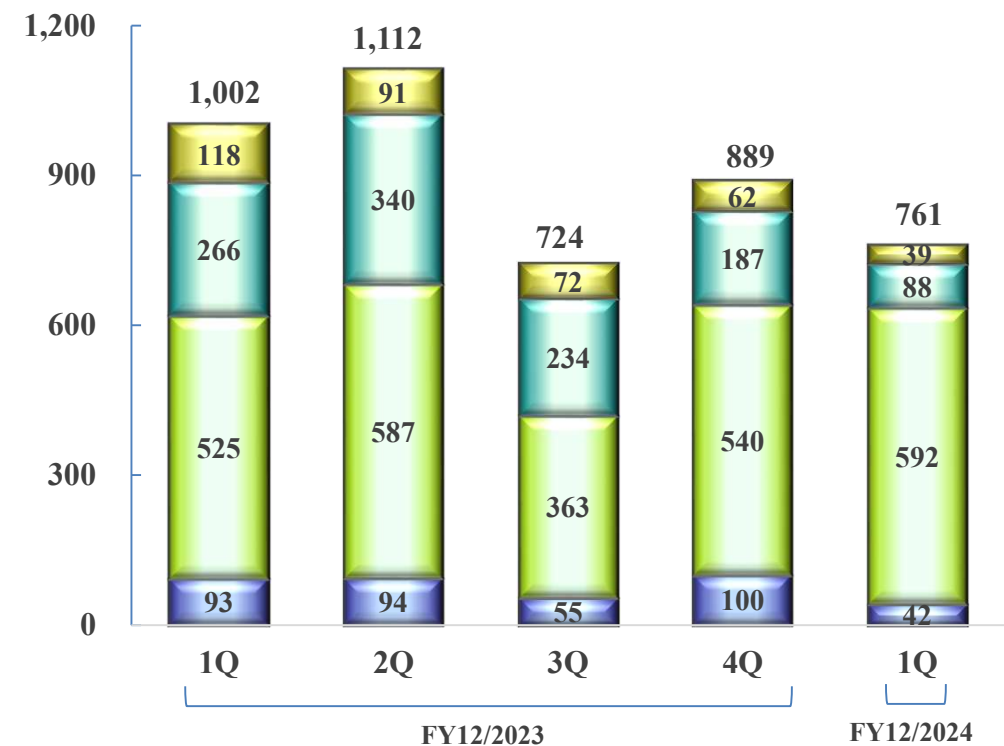
Sales

(Millions of Yen)



Sales Volume

(Unit)



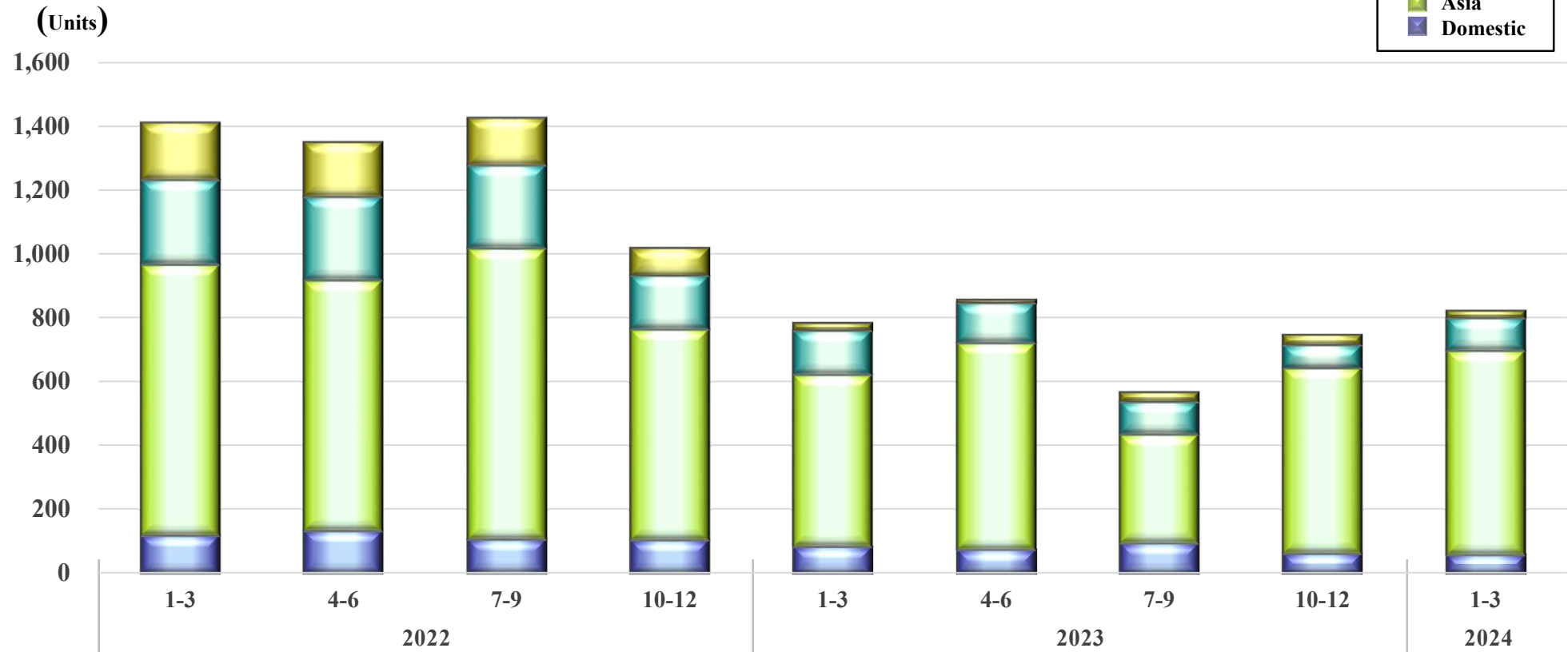
- Sales in the U.S. decreased significantly owing to soft market conditions amid prolonged interest rate hikes there.
- Sales in the European market decreased significantly due to ongoing weakness in overall demand in the market.
- In the Asian market, sales increased due to a gradual turnaround in market conditions, particularly in China.
- In the domestic market, sales decreased significantly amid lackluster performance as a whole, particularly in the automotive sector.

Reference

Trends in Quarterly Machine Tool Orders



(Ordered Unit)



	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3
America	179	171	149	87	24	10	30	33	23
Europe	265	261	260	168	138	125	102	71	102
Asia	848	785	911	660	538	646	339	581	638
Domestic	118	133	106	104	83	74	94	62	58
Total	1,410	1,350	1,426	1,019	783	855	565	747	821

Special Products



Cash Drawer and Receipt Printer
mPOP



POS Printer
TSP100IV series



Label Printer
mC-Label series



Peripheral Equipment



Contactless IC card Reader
PitTouch Pro3 series

Machine Tools



CNC Swiss Type Automatic Lathe
SP-20



CNC Swiss Type Automatic Lathe
SD-26 type S



CNC Swiss Type Automatic Lathe
SL-10