

**Notice Regarding Differences between Business Results Forecasts
and Financial Results for the First Half of the Fiscal Year Ending December 31, 2025
(Interim Period) and Revisions to Full Fiscal Year Earnings Forecast**

STAR MICRONICS CO., LTD. (“the Company”) announce the differences between the business results forecast for the first half of the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025), announced on February 12, 2025, and the actual results disclosed today, as well as the revision of the full-year earnings forecast, also announced on February 12, 2025.

1. Differences between business forecasts and financial results for the first half (interim period from January 1, 2025 to June 30, 2025) of fiscal 2025

| | 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 | 31,400 | 1,800 | 1,900 | 1,600 | 50.44 |
| Results: B | 33,601 | 2,662 | 2,705 | 1,968 | 53.06 |
| Change: B-A | 2,201 | 862 | 805 | 368 | |
| Change: B vs. A (%) | 7.0 | 47.9 | 42.4 | 23.1 | |
| (Reference) FY 2024 Second-quarter | 30,986 | 1,548 | 2,008 | 584 | 16.26 |

2. Revisions to consolidated earnings forecasts for the full fiscal year (fiscal 2025: January 1, 2025 to December 31, 2025)

| | 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 | 71,200 | 5,200 | 5,300 | 4,000 | 126.09 |
| Revised Forecasts: B | 70,100 | 4,200 | 4,400 | 3,100 | 72.96 |
| Change: B-A | (1,100) | (1,000) | (900) | (900) | |
| Change: B vs. A (%) | (1.5) | (19.2) | (17.0) | (22.5) | |
| (Reference) FY 2024 | 64,994 | 4,021 | 4,515 | 1,855 | 53.99 |

3. Reasons

Looking at financial results for the first half (interim period) of the fiscal year ending December 31, 2025, while sales in the mainstay Machine Tools segment in the domestic and European markets were sluggish, both net sales and profit exceeded previous forecasts. In addition to robust domestic demand in China and signs of an improvement in the U.S., these positive results compared with previous forecasts reflected the impact of trends in foreign currency exchange rates and the strong yen.

As far as earnings forecasts for the full fiscal year are concerned, while Machine Tools business sales in China are expected to remain strong, the initially forecast recovery in market conditions is anticipated to be delayed due to a variety of factors, including the impact of U.S. trade policies on other regions.

Taking the aforementioned into consideration, net sales are projected to fall below previous forecasts. In addition, from a profit perspective, earnings are estimated to fall short of previous forecasts in line with the decline in net sales. Meanwhile, in revising its earnings forecasts for the full fiscal year, the Company has adjusted certain of its underlying foreign currency exchange rate assumptions. From the third quarter of the fiscal year under review, the rate of ¥145 for the U.S. dollar remains unchanged, while the rate of ¥150 for the euro has been adjusted to ¥170.

Earnings forecasts by segment are provided in the supplemental information as follows.

* All amounts are rounded down to the nearest million yen. Forecasts are based on information available as of the date of this release. Actual results may differ materially from forecasts due to a variety of factors.

(Supplemental Information)

Consolidated Forecasts (By Segment)

(Millions of yen)

| | | Full-year Fiscal 2025 | | | |
|---------------------------|------------------|-----------------------|----------------------|---------|--------|
| | | Previous Forecasts | Revised Forecasts | Change | |
| | | | | Amount | (%) |
| Machine Tools | Net Sales | 54,700 | 53,800 | (900) | (1.6) |
| | Operating Income | 6,000 | 4,850 | (1,150) | (19.2) |
| | Income Ratio (%) | 11.0 | 9.0 | | |
| Special Products | Net Sales | 16,500 | 16,300 | (200) | (1.2) |
| | Operating Income | 1,500 | 1,850 | 350 | 23.3 |
| | Income Ratio (%) | 9.1 | 11.3 | | |
| Eliminations or Corporate | | (2,300) | (2,500) | (200) | |
| Consolidated | Net Sales | 71,200 | 70,100 | (1,100) | (1.5) |
| | Operating Income | 5,200 | 4,200 | (1,000) | (19.2) |
| | Income Ratio (%) | 7.3 | 6.0 | | |

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