

September 30, 2013

Differences between Consolidated Forecasts and Actual Results for the 1st Half of FY2014 and Revisions of Consolidated Forecasts for FY2014

Star Micronics Co., Ltd. hereby provides a notice regarding differences between the consolidated business forecasts for the first half of fiscal 2014, the year ending February 28, 2014, announced on April 10, 2013, and the actual results announced today.

Furthermore, in light of recent business performance, Star Micronics has revised its full-year consolidated business forecasts for fiscal 2014, announced on April 10, 2013.

1. Differences between Consolidated Business Forecasts and Actual Results for the First Half of Fiscal 2014 (March 1, 2013 to August 31, 2013)

	Net Sales (Millions of yen)	Operating Income (Millions of yen)	Ordinary Income (Millions of yen)	Net Income (Millions of yen)	Net Income Per Share (Yen)
Previous Forecasts: A	18,300	700	800	400	9.51
Results: B	19,254	498	833	227	5.40
Change: B-A	954	(201)	33	(172)	
Change: B vs. A (%)	5.2	(28.8)	4.2	(43.2)	
(Reference) FY2013 Second-quarter	19,595	1,193	1,279	1,936	46.03

**2. Revision of Consolidated Business Forecasts for Full-year Fiscal 2014
(March 1, 2013 to February 28, 2014)**

	Net Sales (Millions of yen)	Operating Income (Millions of yen)	Ordinary Income (Millions of yen)	Net Income (Millions of yen)	Net Income Per Share (Yen)
Previous Forecasts: A	40,000	3,300	3,500	2,300	54.66
Revised Forecasts: B	41,300	2,500	2,900	1,700	40.40
Change: B-A	1,300	(800)	(600)	(600)	
Change: B vs. A (%)	3.3	(24.2)	(17.1)	(26.1)	
(Reference) FY2013	37,858	1,579	2,254	2,299	54.66

3. Reasons

(Results for the First Half of Fiscal 2014)

Net sales were higher than the previously announced forecast mainly due to the impact of currency exchange rates. In terms of profits, however, the Machine Tools Segment posted sluggish earnings primarily due to differences in product shipment destinations. As a result, operating income and net income fell below their previously announced forecasts.

(Consolidated Forecasts for Full-year Fiscal 2014)

The Company has revised its full-year consolidated business forecasts for fiscal 2014. These revisions are based on expectations of continued sluggish earnings in the Machine Tools Segment, in addition to the results for the first half. Another factor is that both net sales and earnings in the Precision Products Segment are expected to fall short of their previously announced forecasts.

These projections assume a foreign exchange rate of ¥95 to US\$1, and ¥125 to 1 euro for the third and fourth quarters of fiscal 2014.

* 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)

		Fiscal 2014 Previous Forecasts	Fiscal 2014 Revised Forecasts	Change	
				Amount	(%)
Special Products	Net Sales	9,180	9,400	220	2.4
	Operating Income	1,100	1,020	(80)	(7.3)
	Income Ratio (%)	12.0	10.9		
Micro Audio Components	Net Sales	2,170	2,640	470	21.7
	Operating Income	-	60	60	-
	Income Ratio (%)	-	2.3		
Machine Tools	Net Sales	24,600	25,600	1,000	4.1
	Operating Income	4,030	3,420	(610)	(15.1)
	Income Ratio (%)	16.4	13.4		
Precision Products	Net Sales	4,050	3,660	(390)	(9.6)
	Operating Income	440	130	(310)	(70.5)
	Income Ratio (%)	10.9	3.6		
Eliminations or Corporate		(2,270)	(2,130)	140	
Consolidated	Net Sales	40,000	41,300	1,300	3.3
	Operating Income	3,300	2,500	(800)	(24.2)
	Income Ratio (%)	8.3	6.1		