

Notice Concerning Reporting of Special Loss and Revision of Consolidated Forecasts

In light of recent trends in its business performance, Star Micronics Co., Ltd. has revised its full-year consolidated forecasts for fiscal 2012, which were announced on September 12, 2011. In addition, Star Micronics gives notice that it expects to report a special loss.

1. Reporting of Special Loss

Star Micronics Precision (Thailand) Co., Ltd., based in the Rojana Industrial Park in Ayutthaya, Thailand, is a wholly owned subsidiary of Star Micronics that produces precision products. In October 2011, significant flooding occurred in Thailand and this subsidiary suffered flood damage to such assets as production facilities and inventories. As a result, Star Micronics expects to report a special loss of ¥437 million.

These damaged assets are covered by insurance but Star Micronics does not expect to receive any insurance payment at the current time because the applicable monetary amount has not yet been determined.

2. Revision of Consolidated Forecasts

Revision of Consolidated Forecasts for Full-year Fiscal 2012 (March 1, 2011 to February 29, 2012)

	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	42,200	3,200	3,300	1,500	35.16
Revised Forecasts: B	41,500	3,900	3,950	2,300	53.96
Change: B-A	(700)	700	650	800	
Change: B vs. A (%)	(1.7)	21.9	19.7	53.3	
(Reference) FY2011	35,717	1,428	1,194	161	3.71

Reasons for Revisions

In the consolidated results forecasts for the full year, the Group projects the following performance. Although net sales are expected to decrease slightly, on the earnings front both operating income and ordinary income are projected to increase mainly due to an improvement in profitability in the Machine Tools Segment. Net income is also projected to increase despite the special loss incurred by the flood damage to the Thai plant because of decreased tax expenses in addition to an improvement in ordinary income.

* 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.

(Expanded Information)
 Consolidated Forecasts (By Segment)

(Millions of yen)

		Fiscal 2012 Previous Forecasts	Fiscal 2012 Revised Forecasts	Change	
				Amount	(%)
Special Products	Net Sales	8,030	7,790	(240)	(3.0)
	Operating Income	620	580	(40)	(6.5)
	Income Ratio (%)	7.7	7.4		
Components	Net Sales	2,800	2,930	130	4.6
	Operating Income	(1,020)	(950)	70	-
	Income Ratio (%)	-	-		
Machine Tools	Net Sales	27,070	26,510	(560)	(2.1)
	Operating Income	4,740	5,330	590	12.4
	Income Ratio (%)	17.5	20.1		
Precision Products	Net Sales	4,300	4,270	(30)	(0.7)
	Operating Income	770	750	(20)	(2.6)
	Income Ratio (%)	17.9	17.6		
Eliminations or Corporate		(1,910)	(1,810)	100	
Consolidated	Net Sales	42,200	41,500	(700)	(1.7)
	Operating Income	3,200	3,900	700	21.9
	Income Ratio (%)	7.6	9.4		