

# Financial Results for the Fiscal Year 2017 Third Quarter

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

Code 7718

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# Financial Data



(Millions of Yen)

	FY2/16 Actual								FY2/17 Actual								Y o Y	
	1Q		2Q		3Q		1Q~3Q Total		1Q		2Q		3Q		1Q~3Q Total		1Q~3Q Total	
	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Change (%)
<b>Sales</b>																		
Special Products	2,766		2,630		2,932		8,329		2,770		2,842		2,854		8,467		138	1.7
Machine Tools	8,289		10,948		8,833		28,072		7,207		7,979		8,255		23,441		(4,630)	(16.5)
Precision Products	1,278		1,259		1,212		3,751		1,058		1,121		1,044		3,224		(526)	(14.0)
Cloud Services*	-		-		-		-		-		-		-		-		-	-
<b>Total</b>	12,335		14,838		12,979		40,152		11,036		11,943		12,154		35,134		(5,018)	(12.5)
<b>Operating Income</b>																		
Special Products	400	14.5	323	12.3	541	18.5	1,265	15.2	473	17.1	472	16.6	532	18.6	1,478	17.5	212	16.8
Machine Tools	1,207	14.6	1,769	16.2	1,266	14.3	4,242	15.1	926	12.9	1,069	13.4	912	11.1	2,909	12.4	(1,333)	(31.4)
Precision Products	194	15.2	165	13.1	169	14.0	529	14.1	77	7.3	85	7.6	91	8.7	254	7.9	(275)	(52.0)
Cloud Services*	(30)	-	(56)	-	(45)	-	(131)	-	(84)	-	(59)	-	(122)	-	(266)	-	(134)	-
Eliminations or Corporate	(572)		(548)		(609)		(1,730)		(590)		(563)		(568)		(1,722)		7	
<b>Total</b>	1,200	9.7	1,653	11.1	1,322	10.2	4,175	10.4	802	7.3	1,003	8.4	846	7.0	2,652	7.6	(1,522)	(36.5)
<b>Ordinary Income</b>	911	7.4	1,560	10.5	1,313	10.1	3,785	9.4	751	6.8	731	6.1	980	8.1	2,464	7.0	(1,320)	(34.9)
<b>Net Income Attributable to Owners of Parent</b>	797	6.5	1,058	7.1	867	6.7	2,724	6.8	653	5.9	407	3.4	1,103	9.1	2,163	6.2	(560)	(20.6)

\* Cloud Services is included in Special Products in consolidated earning report and disclosure information.

Exchange Rate	US\$	¥ 120.90				¥ 108.71	
	EUR	¥134.77				¥121.21	
	GBP	¥185.34				¥151.76	
	CHF	¥127.08				¥110.82	

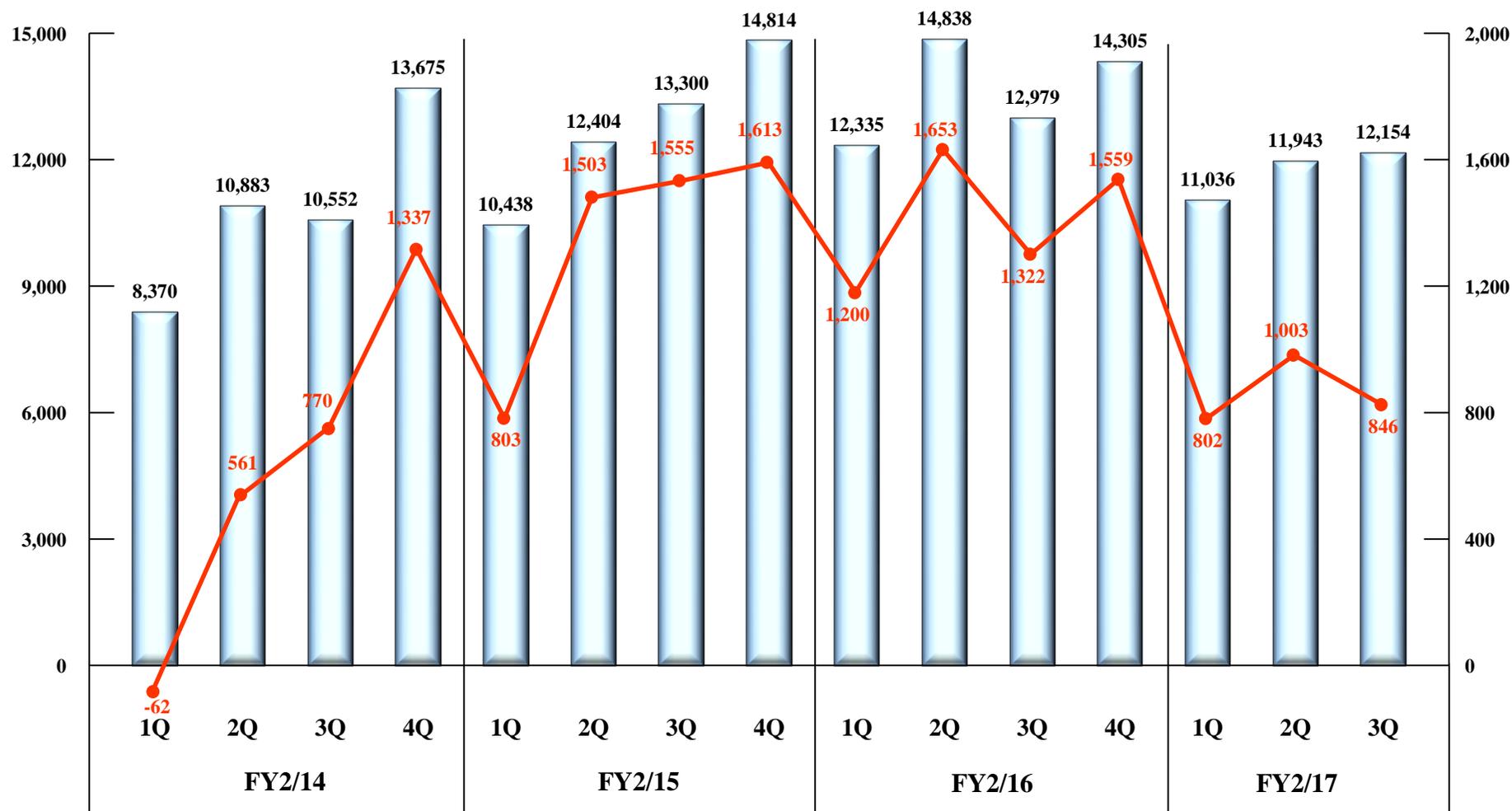
# Quarterly Information (Net Sales and Operating Income)

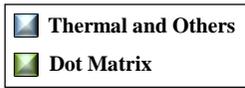


## Net Sales (Millions of Yen)

Net Sales    Operating Income

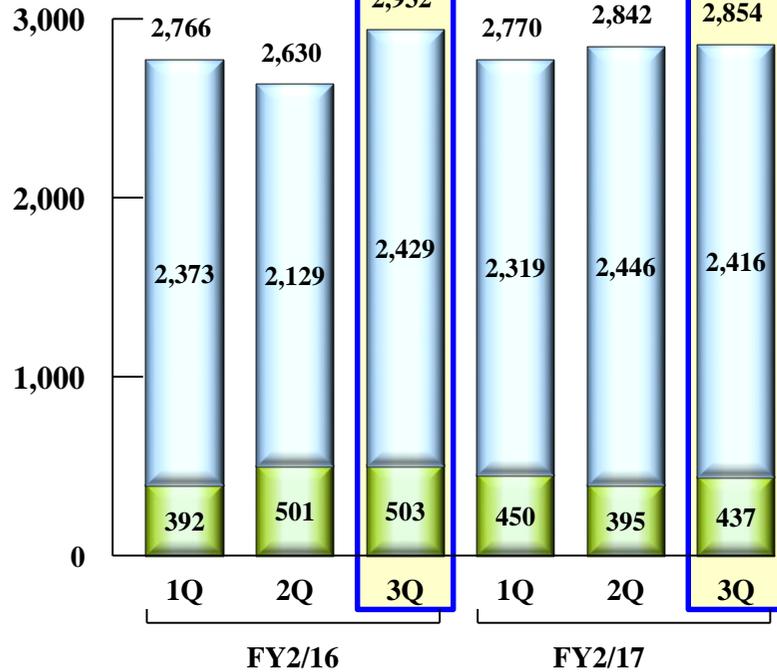
## Operating Income (Millions of Yen)





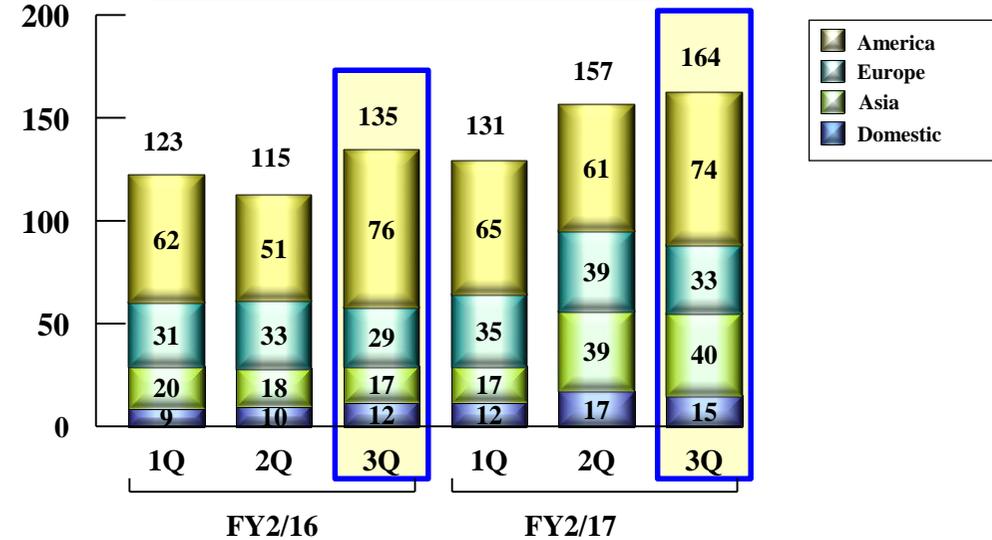
### Sales

(Millions of Yen)



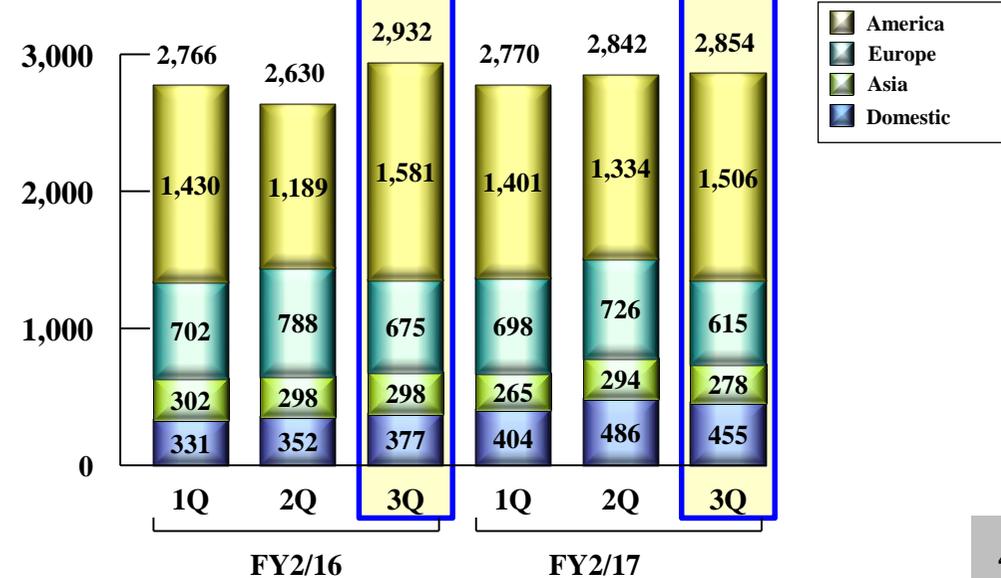
(Thousand Units)

### Sales Volume by Region



### Sales by Region

(Millions of Yen)



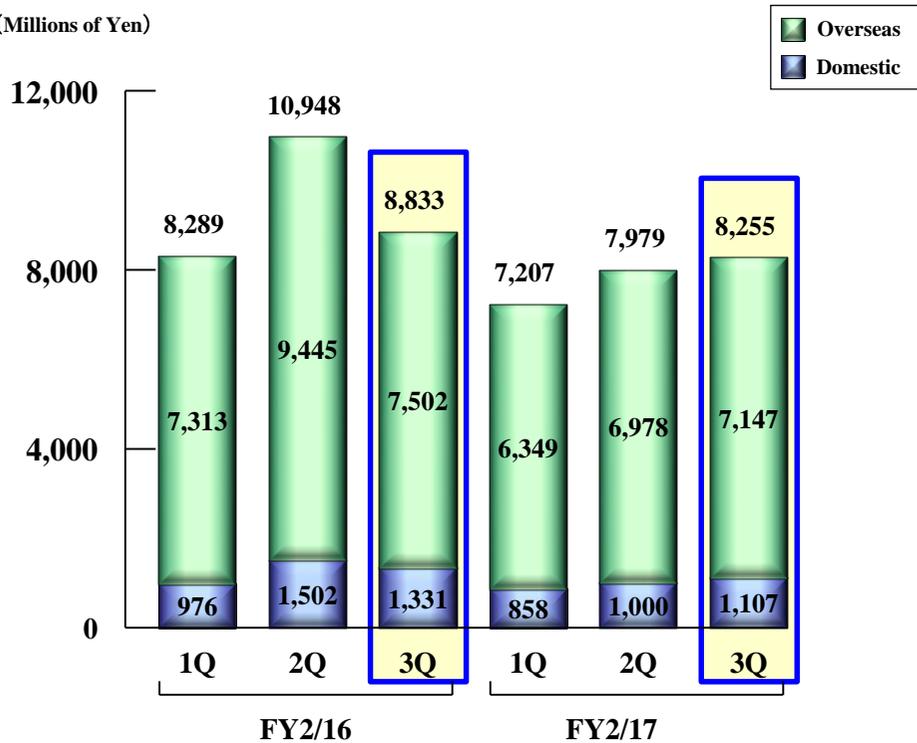
- Due to the effect of the strong yen, sales in the U.S. market grew only slightly, while in Europe and Asia, sales declined, although the numbers of units sold increased.
- Sales in Japan increased substantially on the back of robust mPOS related sales.

※The above comments relate to the first three quarters of fiscal 2017



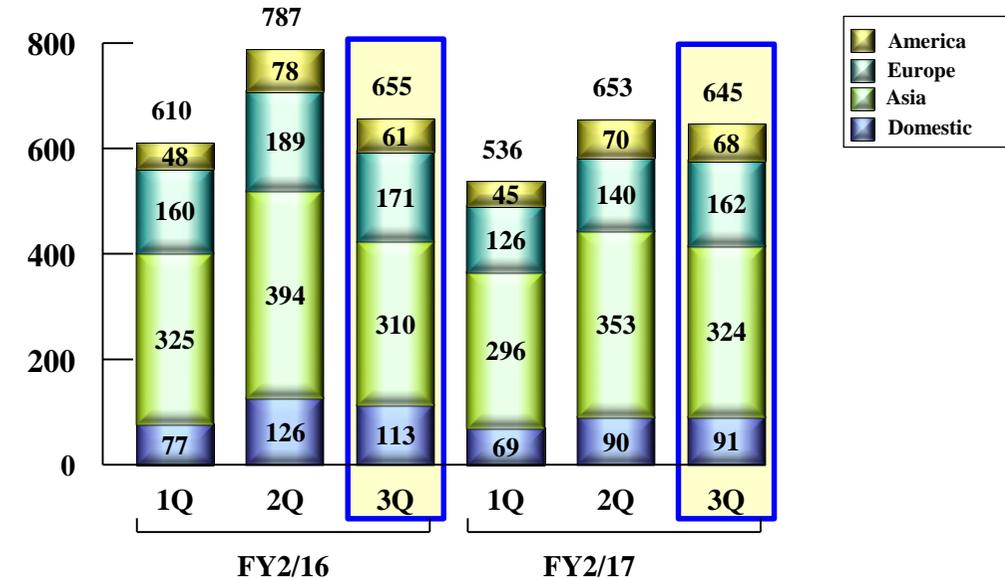
## Sales

(Millions of Yen)



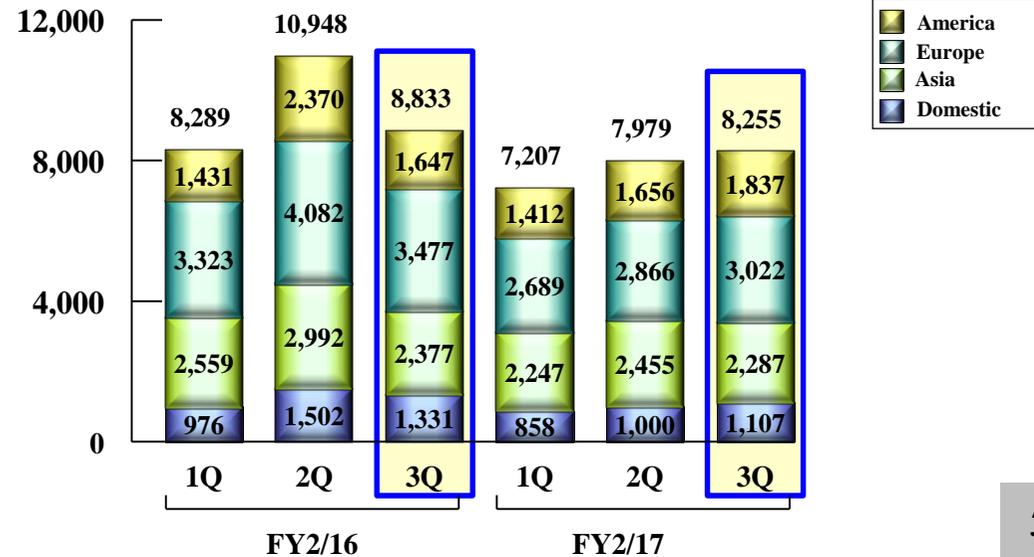
## Sales Volume by Region

(Units)



(Millions of Yen)

## Sales by Region

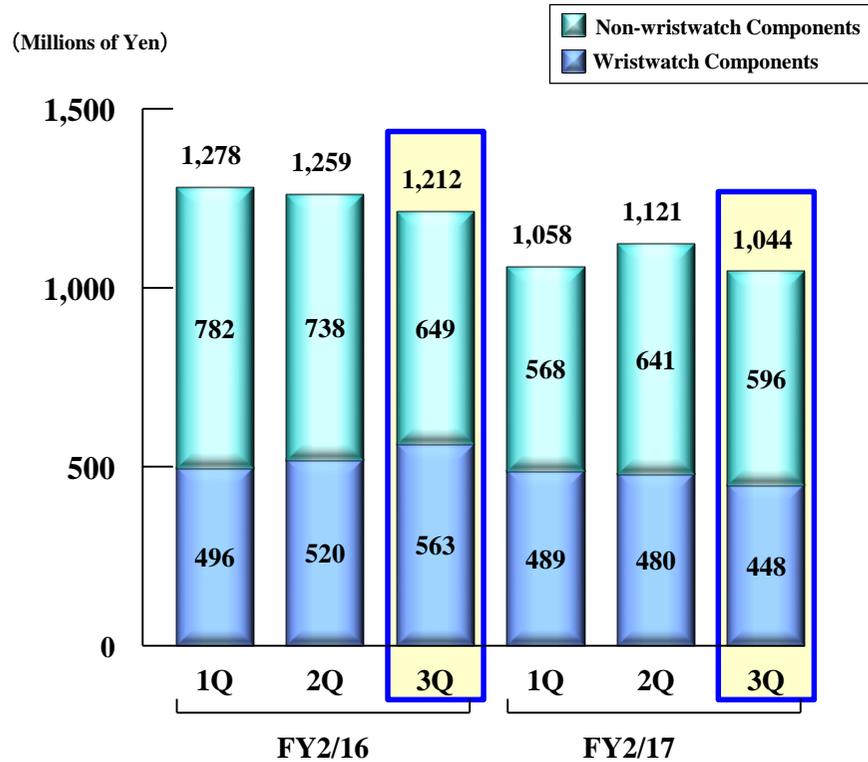


- Amid the impact of the strong yen on results mainly in Europe and the U.S., trends in the mainstay medical equipment-related sector in the U.S. were firm. However, sales declined as results stalled in other sectors.
- Sales in Europe declined substantially in the period under review. This was largely due to sluggish sales in such emerging markets as Eastern Europe as well as in major countries including Germany.
- Sales in the Asian market declined. Despite steady trends in China, this decline was mainly due to the downturn in sales in other regions.
- Sales declined substantially in Japan. This largely reflected the cautious approach adopted by the market toward capital expenditures.

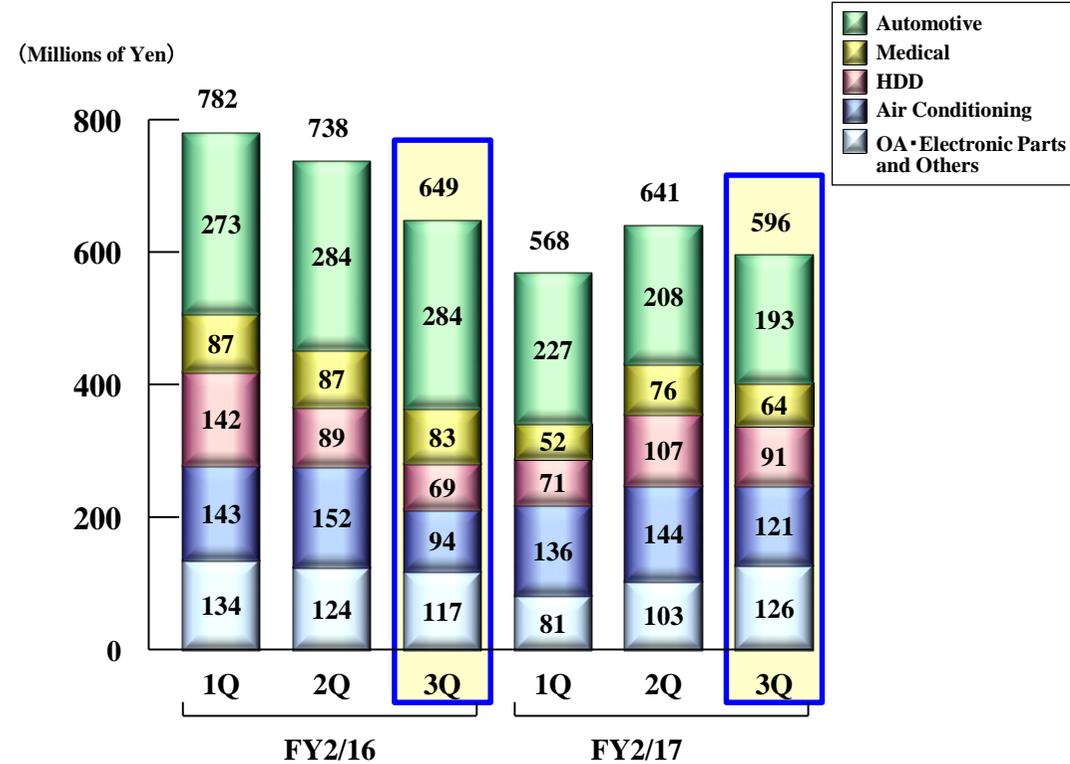
※The above comments relate to the first three quarters of fiscal 2017



## Sales



## Sales of Non-wristwatch Components



- Sales of wristwatch components declined. This was mainly due to the impact of production adjustments by wristwatch manufacturers.
- Sales of non-wristwatch components also declined. This largely reflected the downturn in automotive components, etc. as well as the impact of the strong yen.

※The above comments relate to the first three quarters of fiscal 2017

# Reference: Business Segments and Products

## Special Products



Cash Drawer and Receipt Printer  
mPOP



POS Printer  
TSP100III



Mobile Printer  
SM-L200

## Machine Tools



CNC Swiss Type Automatic Lathe  
SV-20R



CNC Swiss Type Automatic Lathe  
SR-38 type B



CNC Swiss Type Automatic Lathe  
SW-12RII

## Precision Products

### Wristwatch Components



### Non-Wristwatch Components

(Automotive, Air Conditioning, HDD and Medical Components)



(Automotive Components)