

Notice regarding Differences between Business Forecasts and Actual Results.

STAR MICRONICS CO., LTD. hereby provides a notice regarding differences between the full-year consolidated business forecasts for fiscal 2017 (March 1, 2016 to February 28, 2017), announced on September 29, 2016, and the actual results announced today.

**1. Differences between Consolidated Business Forecasts and Actual Results for Full-year Fiscal 2017
(March 1, 2016 to February 28, 2017)**

	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	44,400	3,300	3,100	2,800	71.99
Actual: B	48,937	3,606	3,583	3,181	81.77
Change: B-A	4,537	306	483	381	
Change: B vs. A (%)	10.2	9.3	15.6	13.6	
(Reference) FY2016	54,457	5,735	5,206	3,720	87.98

2. Reasons

In addition to robust trends in the Machine Tools Segment in Europe, the U.S., and Asia, consolidated results were impacted by movements in foreign currency exchange rates. Accounting for each of these factors, both net sales and earnings exceeded forecasts.