

Notice Regarding Revisions to Business Forecasts

Based on recent business trend, STAR MICRONICS CO., LTD. has revised its business forecasts announced on October 11, 2018 as follows.

1. Revision of Consolidated Business Forecasts for Full-year Fiscal 12/2018

(March 1, 2018 to December 31, 2018)

	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	61,200	8,200	8,300	6,000	164.06
Revised Forecasts: B	65,600	9,400	9,300	6,500	177.96
Change: B-A	4,400	1,200	1,000	500	
Change: B vs. A (%)	7.2	14.6	12.0	8.3	

2. Reasons

Turning to consolidated business results for the full fiscal year ending December 31, 2018, net sales are projected to surpass previous forecasts coming in at ¥65.6 billion. This upward revision is attributable to a variety of factors including ongoing robust demand across all regions focusing mainly on the European and U.S. markets in the Machine Tools Segment. From a profit perspective, operating income, ordinary income and net income attributable to owners of parent are also forecast to reach ¥9.4 billion, ¥9.3 billion and ¥6.5 billion, respectively, in lien with the anticipated increase in net sales.

*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.

*As fiscal 12/2018 is a transitional period, forecast for the full consolidated fiscal year are listed for ten months (from March 1, 2018 to December 31, 2018) for consolidated companies whose fiscal year previously ended in February and for twelve months (from January 1, 2018 to December 31, 2018) for consolidated companies whose fiscal year ends in December.

(Supplemental Information)
Consolidated Forecasts (By Segment)

(Millions of yen)

		Full-year Fiscal 12/2018			
		Previous Forecasts	Revised Forecasts	Change	
				Amount	(%)
Special Products	Net Sales	12,350	12,550	200	1.6
	Operating Income	1,920	1,960	40	2.1
	Income Ratio (%)	15.5	15.6		
Machine Tools	Net Sales	44,900	49,100	4,200	9.4
	Operating Income	8,030	9,320	1,290	16.1
	Income Ratio (%)	17.9	19.0		
Precision Products	Net Sales	3,950	3,950	-	-
	Operating Income	360	330	(30)	(8.3)
	Income Ratio (%)	9.1	8.4		
Eliminations or Corporate		(2,110)	(2,210)	(100)	
Consolidated	Net Sales	61,200	65,600	4,400	7.2
	Operating Income	8,200	9,400	1,200	14.6
	Income Ratio (%)	13.4	14.3		