

## Notice Regarding Revisions to Business Forecasts

Based on recent business trends, STAR MICRONICS CO., LTD. has revised its business forecasts announced on February 13, 2019, as follows.

### 1. Revision of Consolidated Business Forecasts for Full-year Fiscal 2019 (January 1, 2019 to December 31, 2019)

	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	66,200	8,800	9,000	6,300	175.98
Revised Forecasts: B	61,300	6,200	6,600	4,400	123.42
Change: B-A	(4,900)	(2,600)	(2,400)	(1,900)	
Change: B vs. A (%)	(7.4)	(29.5)	(26.7)	(30.2)	

### 2. Reasons

Turning to consolidated results for the full fiscal year, both sales and profit are projected to fall below previous forecasts. In addition to results for the first half, sales in the Machine Tools Segment are expected to remain strong in the China market from the third quarter. The shortfall for the full fiscal year compared with previous forecasts is then attributable to the downturn in sales mainly targeting the European market.

Forecasts are based on the assumptions that the yen/US dollar exchange rate will be JPY105 and the yen/Euro exchange rate will be JPY120 from the third quarter.

\*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.

\*The impact of the repurchase of own shares in accordance with a resolution of the Board of Directors at a meeting held on August 9, 2019 has been factored into the Company's consolidated outlook for net income per share in this instance.

(Supplemental Information)  
 Consolidated Forecasts (By Segment)

(Millions of yen)

		Full-year Fiscal 2019			
		Previous Forecasts	Revised Forecasts	Change	
				Amount	(%)
Special Products	Net Sales	13,240	12,430	(810)	(6.1)
	Operating Income	1,930	1,600	(330)	(17.1)
	Income Ratio (%)	14.6	12.9		
Machine Tools	Net Sales	49,850	46,000	(3,850)	(7.7)
	Operating Income	9,240	7,000	(2,240)	(24.2)
	Income Ratio (%)	18.5	15.2		
Precision Products	Net Sales	3,110	2,870	(240)	(7.7)
	Operating Income	30	(30)	(60)	—
	Income Ratio (%)	1.0	—		
Eliminations or Corporate		(2,400)	(2,370)	30	
Consolidated	Net Sales	66,200	61,300	(4,900)	(7.4)
	Operating Income	8,800	6,200	(2,600)	(29.5)
	Income Ratio (%)	13.3	10.1		