

Financial Results for the Fiscal Year 2015 Third Quarter

STAR MICRONICS CO., LTD.

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

Code 7718

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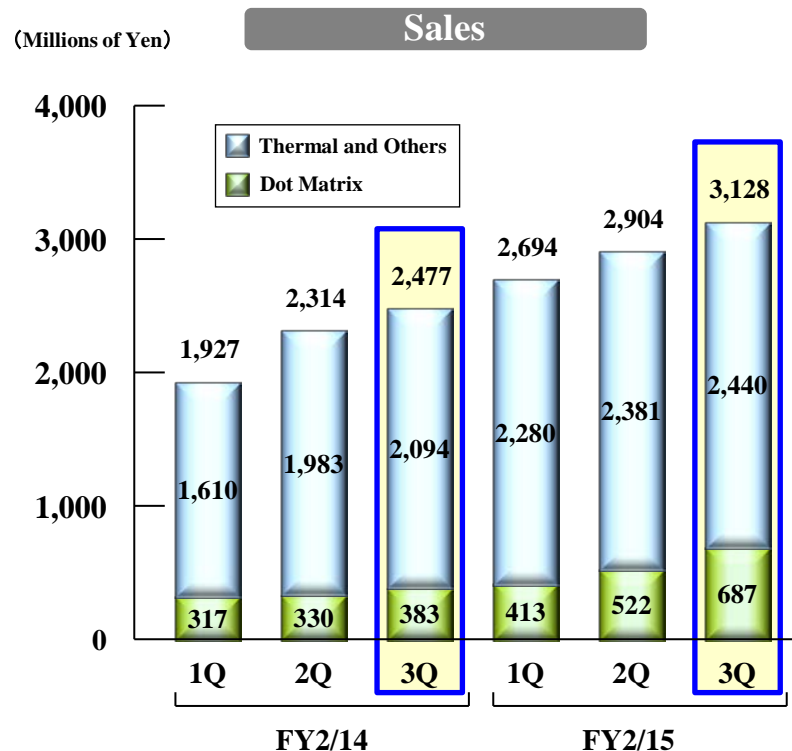
Financial Data



(Millions of Yen)

| | FY2/14 Actual | | | | | | | | FY2/15 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 (%) |
| Sales | | | | | | | | | | | | | | | | | | |
| Special Products | 1,927 | | 2,314 | | 2,477 | | 6,719 | | 2,694 | | 2,904 | | 3,128 | | 8,727 | | 2,007 | 29.9 |
| Machine Tools | 4,952 | | 6,821 | | 6,235 | | 18,009 | | 6,651 | | 8,272 | | 8,897 | | 23,821 | | 5,811 | 32.3 |
| Precision Products | 831 | | 977 | | 1,020 | | 2,829 | | 1,093 | | 1,227 | | 1,274 | | 3,595 | | 765 | 27.1 |
| Micro Audio Components | 659 | | 770 | | 817 | | 2,247 | | - | | - | | - | | - | | - | - |
| Total | 8,370 | | 10,883 | | 10,552 | | 29,806 | | 10,438 | | 12,404 | | 13,300 | | 36,143 | | 6,337 | 21.3 |
| Operating Income | | | | | | | | | | | | | | | | | | |
| Special Products | 73 | 3.8 | 175 | 7.6 | 350 | 14.2 | 600 | 8.9 | 470 | 17.5 | 476 | 16.4 | 574 | 18.4 | 1,521 | 17.4 | 921 | 153.5 |
| Machine Tools | 401 | 8.1 | 902 | 13.2 | 878 | 14.1 | 2,183 | 12.1 | 776 | 11.7 | 1,397 | 16.9 | 1,331 | 15.0 | 3,505 | 14.7 | 1,322 | 60.6 |
| Precision Products | (25) | - | 56 | 5.7 | 104 | 10.2 | 134 | 4.8 | 140 | 12.8 | 194 | 15.8 | 275 | 21.6 | 609 | 17.0 | 474 | 352.5 |
| Micro Audio Components | 20 | 3.1 | 8 | 1.1 | 52 | 6.4 | 81 | 3.6 | - | - | - | - | - | - | - | - | - | - |
| Eliminations or Corporate | (533) | | (581) | | (615) | | (1,730) | | (583) | | (564) | | (626) | | (1,774) | | (43) | |
| Total | (62) | - | 561 | 5.2 | 770 | 7.3 | 1,268 | 4.3 | 803 | 7.7 | 1,503 | 12.1 | 1,555 | 11.7 | 3,862 | 10.7 | 2,594 | 204.5 |
| Ordinary Income | 268 | 3.2 | 564 | 5.2 | 975 | 9.2 | 1,809 | 6.1 | 844 | 8.1 | 1,658 | 13.4 | 1,867 | 14.0 | 4,371 | 12.1 | 2,561 | 141.6 |
| Net Income | 114 | 1.4 | 112 | 1.0 | 569 | 5.4 | 796 | 2.7 | 655 | 6.3 | 1,459 | 11.8 | 1,394 | 10.5 | 3,509 | 9.7 | 2,713 | 340.8 |

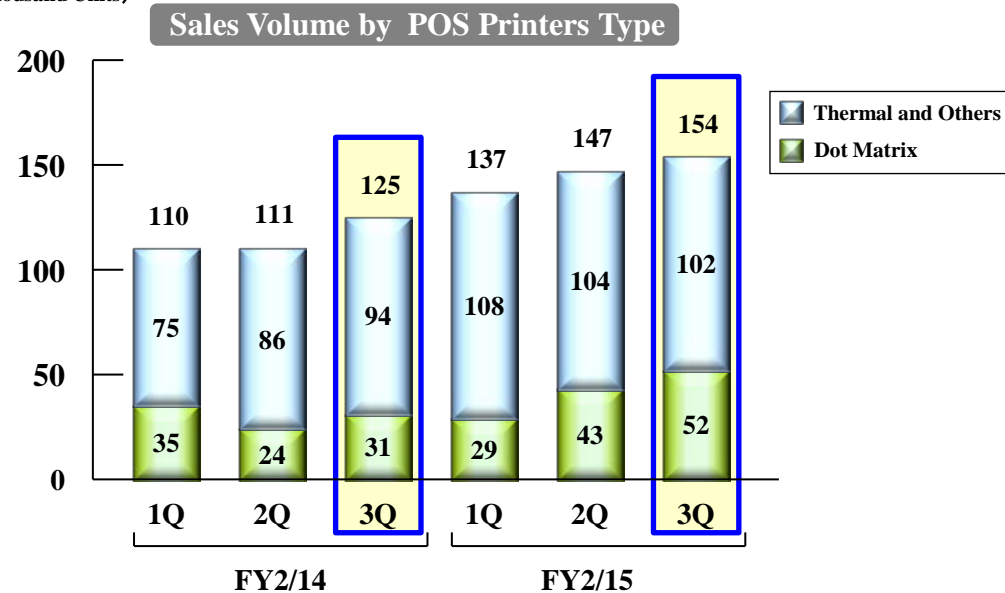
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|---------------|------|---------|--|--|--|----------|--|
| Exchange Rate | US\$ | ¥ 96.71 | | | | ¥ 102.96 | |
| | EUR | ¥127.36 | | | | ¥139.54 | |
| | GBP | ¥149.39 | | | | ¥171.86 | |
| | CHF | ¥103.41 | | | | ¥114.55 | |



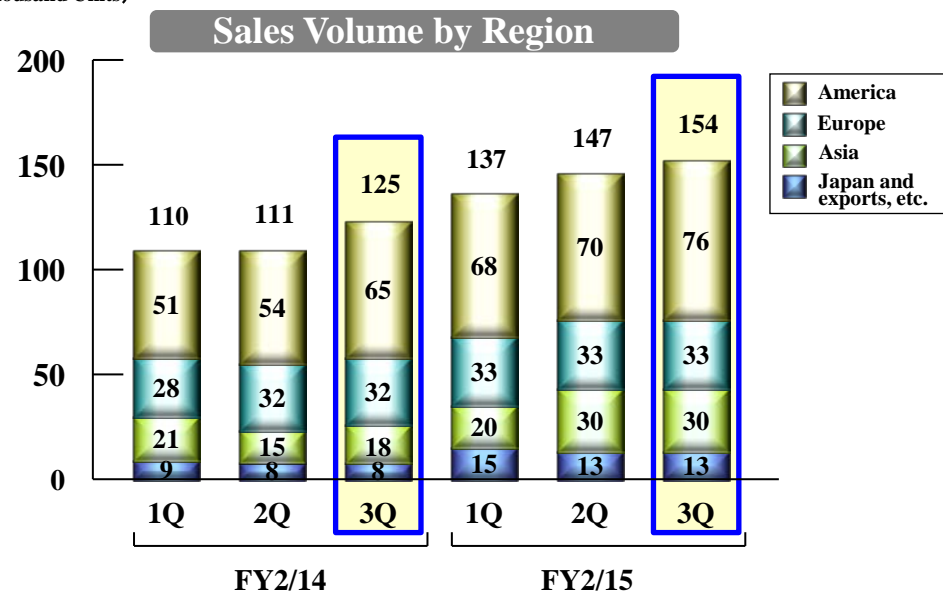
- In the U.S. and Japanese markets, sales centered on applications for payment systems using smartphones and tablets (mobile POS system) were strong. Sales also grew in the European market alongside the gradual economic recovery.
- In the Asian market, sales of dot-matrix printers increased in China.

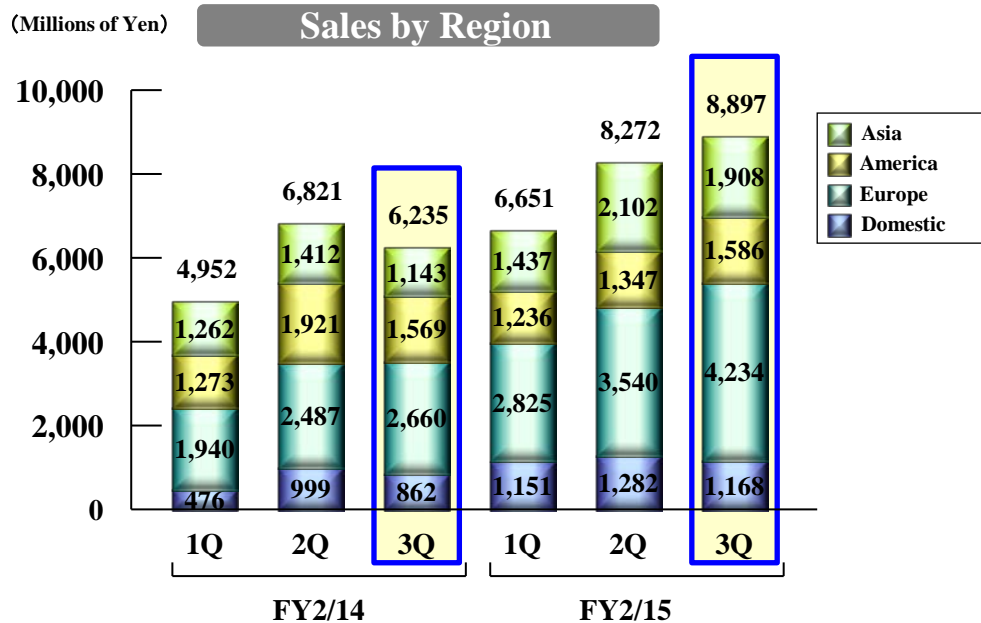
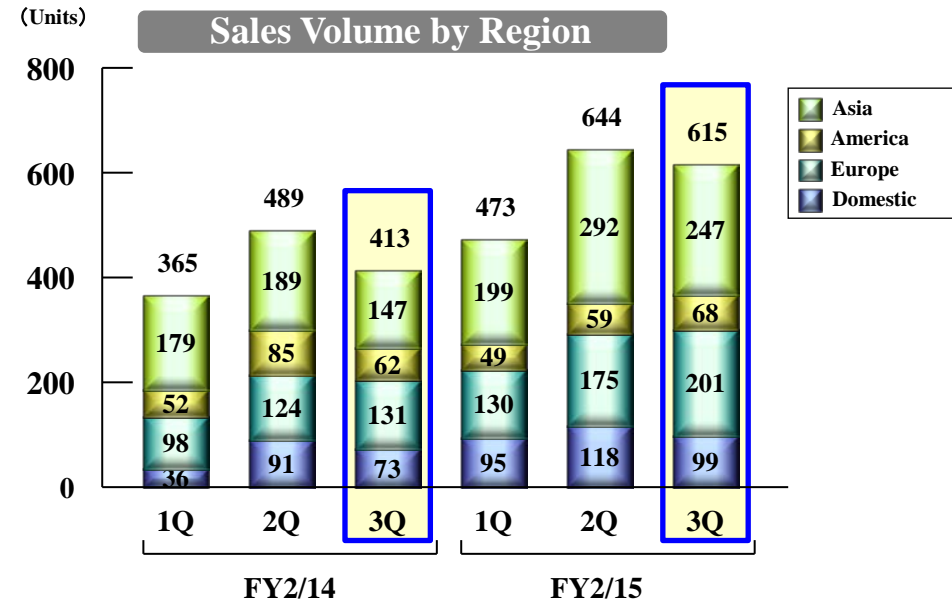
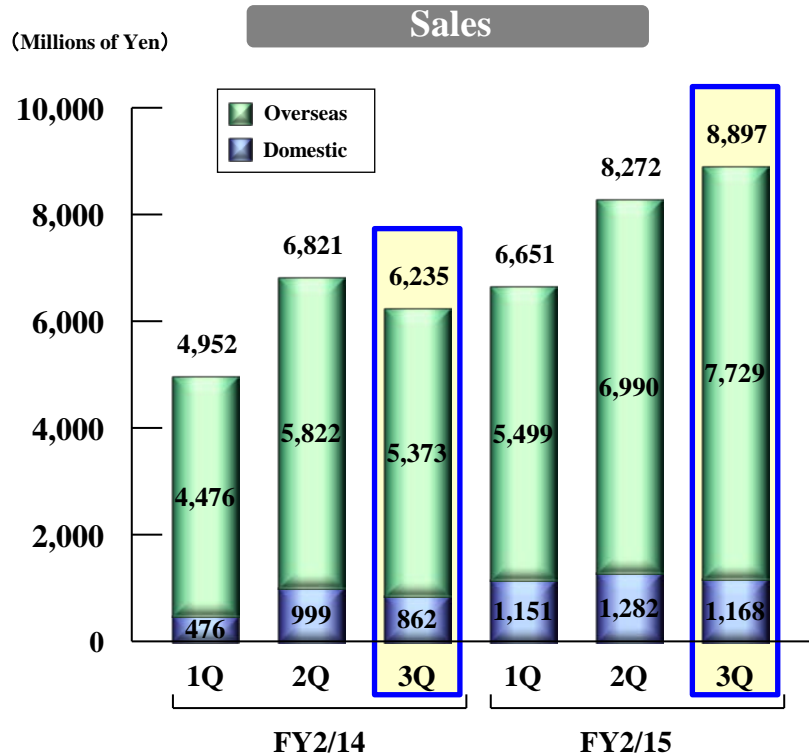
※The above comments relate to the first three quarters of fiscal 2015

(Thousand Units)



(Thousand Units)



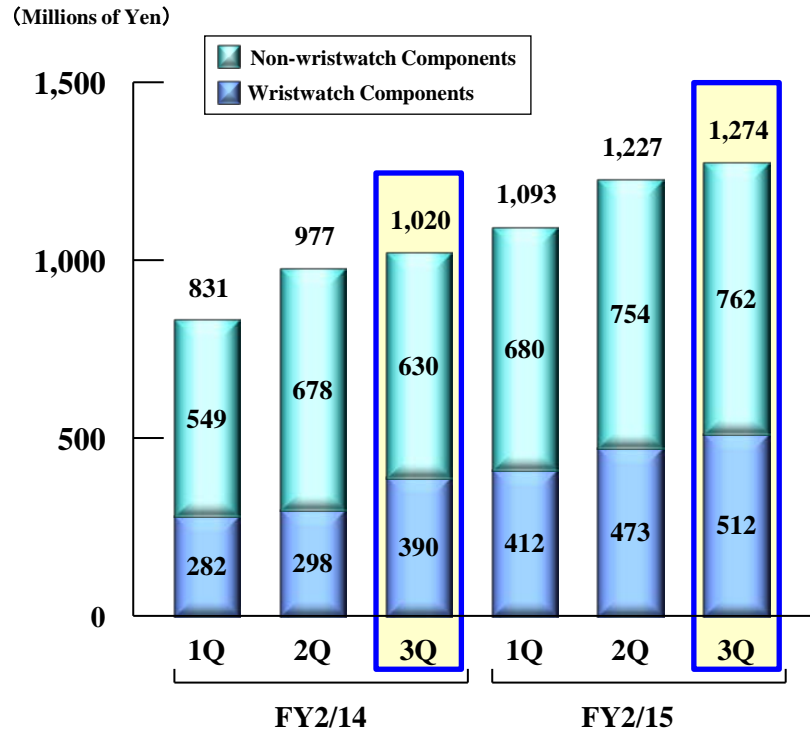


- Sales in the European market increased sharply, reflecting solid sales amid a continuing recovery in orders, mainly in the automotive-related sector.
- Sales in the U.S. market declined year on year, primarily due to a lagging recovery in sales in the mainstay medical equipment-related sector.
- Sales increased substantially in the Asian market, with strong sales in the automobile-, communications-, and medical equipment-related sectors in East Asia.
- Sales increased significantly in the Japanese market, reflecting strong sales primarily in the automotive-related sector.

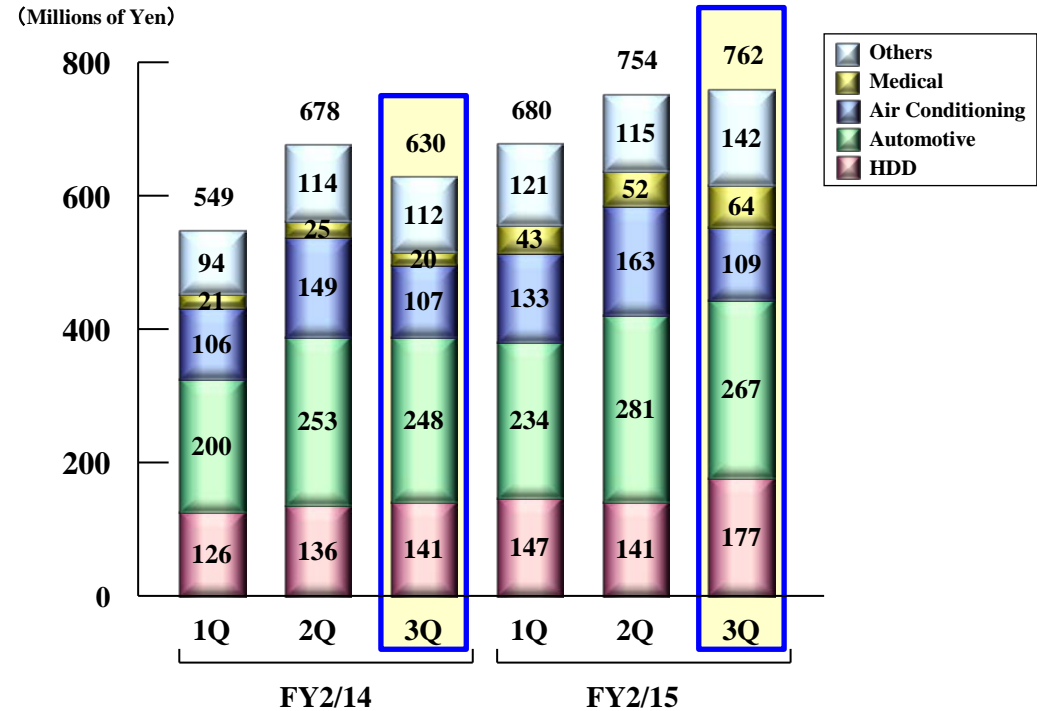
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Sales



Sales of Non-wristwatch Components



- Sales of wristwatch components increased markedly due to strong sales to wristwatch makers.
- In non-wristwatch components, overseas sales were brisk for components for hard disk drives (HDDs), air conditioning-related components, and medical equipment-related components, with sales centered on automotive-related components. Consequently, overall sales in non-wristwatch components increased markedly year on year.

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Special Products

POS Printer
TSP100ECO



Mobile Printer
SM-S210i



Card Reader/Writer
TCP300 II

Machine Tools



CNC Swiss Type Automatic Lathe
SV-38R



CNC Swiss Type Automatic Lathe
ST-20



CNC Swiss Type Automatic Lathe
SW-12RII

Precision Products

Wristwatch Components



Non-Wristwatch Components
(Automotive, Air Conditioning, HDD and Medical Components)



(Automotive Components)