

# Financial Results for the FY2021 Third Quarter

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STAR MICRONICS CO., LTD.

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

Code 7718

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\* The projections in this document are based on information available at the time of release of this report and certain assumptions the Company considers reasonable.  
The Company does not promise that these projections will be achieved. Actual results may differ materially from projections due to a variety of factors.

## **Financial Results for the FY2021 Third Quarter**

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## Substantial Increases in Sales and Profits Year on Year

■ Net Sales	¥45.64 billion	44.3%	up YoY
■ Operating Income	¥5.39 billion	429.6%	up YoY
■ Ordinary Income	¥5.54 billion	347.7%	up YoY
■ Net Income Attributable to Owners of Parent	¥4.28 billion	605.6%	up YoY

- ✓ **Despite the ongoing uncertainty surrounding economic conditions attributable to COVID-19, the global economy experienced a recovery trend mainly in the manufacturing sector with upswings in both the Special Products and Machine Tools segments; upward revision of full fiscal year forecasts.**
- ✓ **Special Products robust in the food delivery, Machine Tools-related market also recovered across a wide range of industries**

# Consolidated Operating Results and Business Forecast



(Millions of Yen)

		Third Quarter					Full-Year						
		FY12/2020		FY12/2021			FY12/2020		FY12/2021 Forecasts				
		Actual		Actual			Actual		Previous Forecast (Announced on August 10)		Revised Forecast (Announced on November 11)		Compared with the Previous Forecast (%)
		Amount	Income Ratio (%)	Amount	Income Ratio (%)	Rate of Change (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	Amount	Income Ratio (%)	
Net Sales	Special Products	8,793		11,991		36.4	11,720		13,570		15,200		12.0
	Machine Tools	22,847		33,655		47.3	33,949		44,530		47,200		6.0
	Total	31,640		45,647		44.3	45,670		58,100		62,400		7.4
Operating Income	Special Products	1,312	14.9	2,261	18.9	72.2	1,545	13.2	2,200	16.2	2,430	16.0	10.5
	Machine Tools	1,407	6.2	4,402	13.1	212.9	2,697	7.9	5,420	12.2	6,570	13.9	21.2
	Eliminations or Corporate	(1,701)		(1,270)			(2,070)		(1,820)		(1,800)		
	Total	1,018	3.2	5,393	11.8	429.6	2,172	4.8	5,800	10.0	7,200	11.5	24.1
Ordinary Income		1,237	3.9	5,540	12.1	347.7	2,772	6.1	6,100	10.5	7,400	11.9	21.3
Net Income Attributable to Owners of Parent		607	1.9	4,286	9.4	605.6	1,731	3.8	4,500	7.7	5,500	8.8	22.2

Exchange Rate	US \$	¥107.60	¥108.50	¥106.83	¥103.85	¥109.36
	EUR	¥120.91	¥129.82	¥121.82	¥126.41	¥129.84
	GBP	¥136.80	¥150.33	¥137.09	¥143.30	¥150.37
	CHF	¥113.21	¥119.09	¥113.80	¥116.83	¥119.30

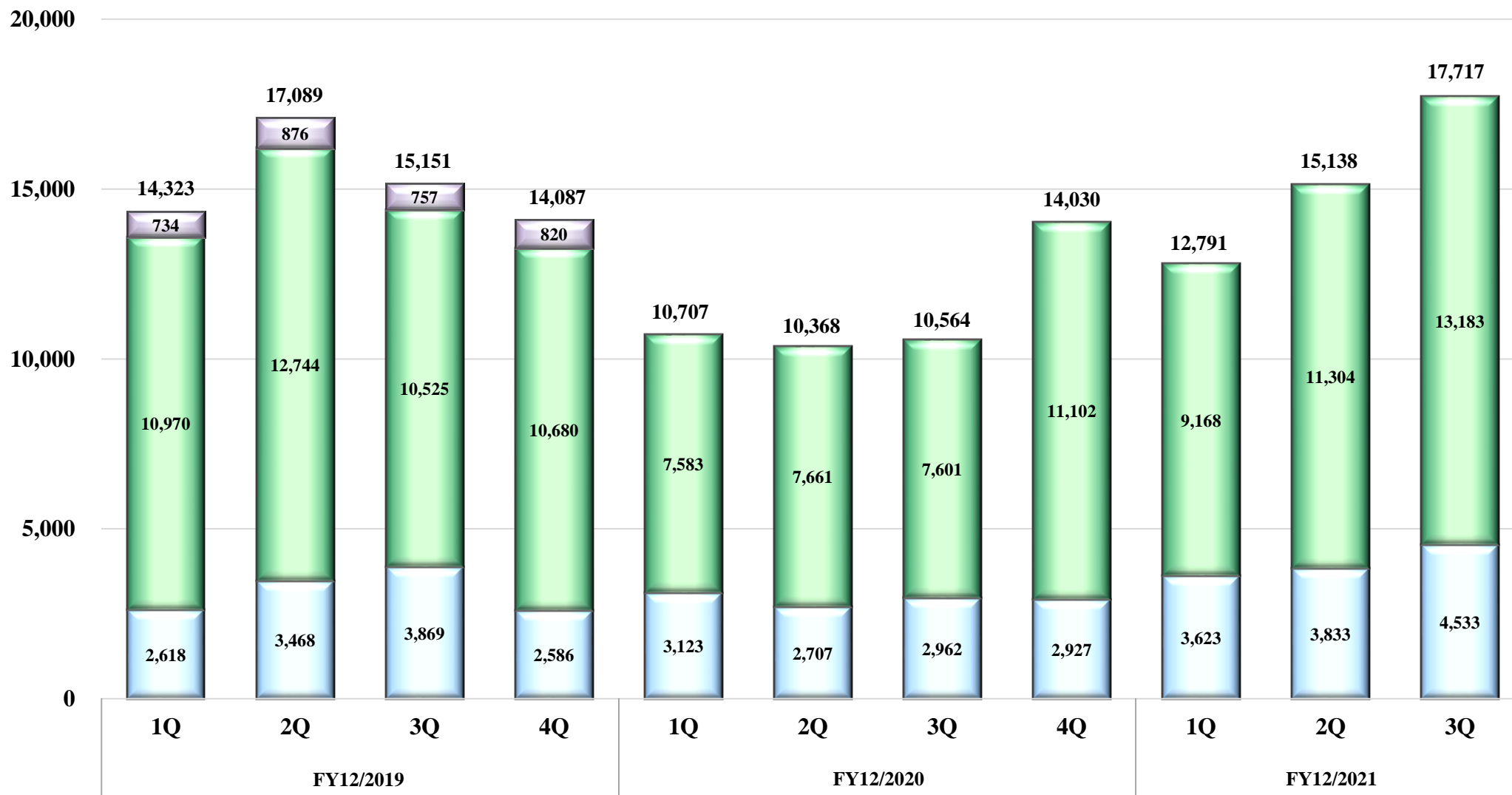
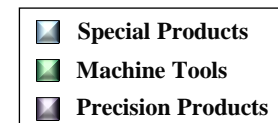
Following its decision to abolish the Precision Products Segment, Star Micronics undertook a revision of its business activities and reclassified its business segments in the previous fiscal year. Effective from the fiscal year under review, the Company changed and reclassified its reportable segments from the three former Special Products Segment, Machine Tools Segment, and Precision Products Segment into the two Special Products Segment and Machine Tools Segment. Amounts included in the Precision Products Segment in the segment information for the previous fiscal year are now included in the Machine Tools Segment.

# Quarterly Information (Net Sales)



## Net Sales

(Millions of Yen)



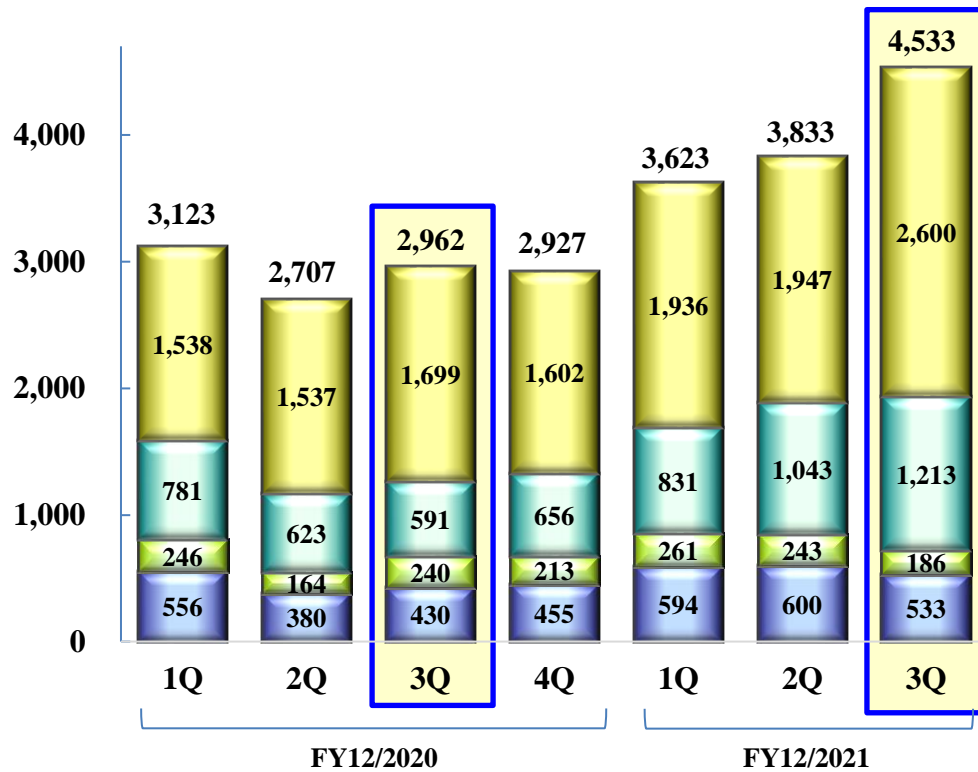
\*Effective from the fiscal year ended December 31, 2020, the Precision Products Segment has been included in the Machine Tools Segment.

# Special Products Third Quarter Actual



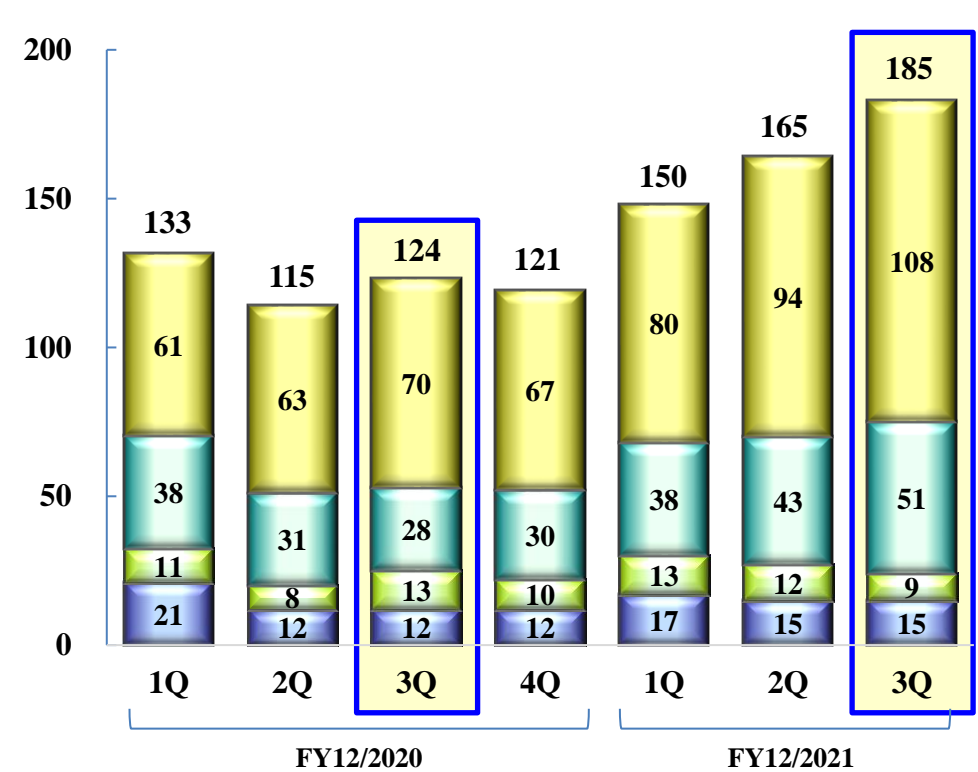
## Sales

(Millions of Yen)

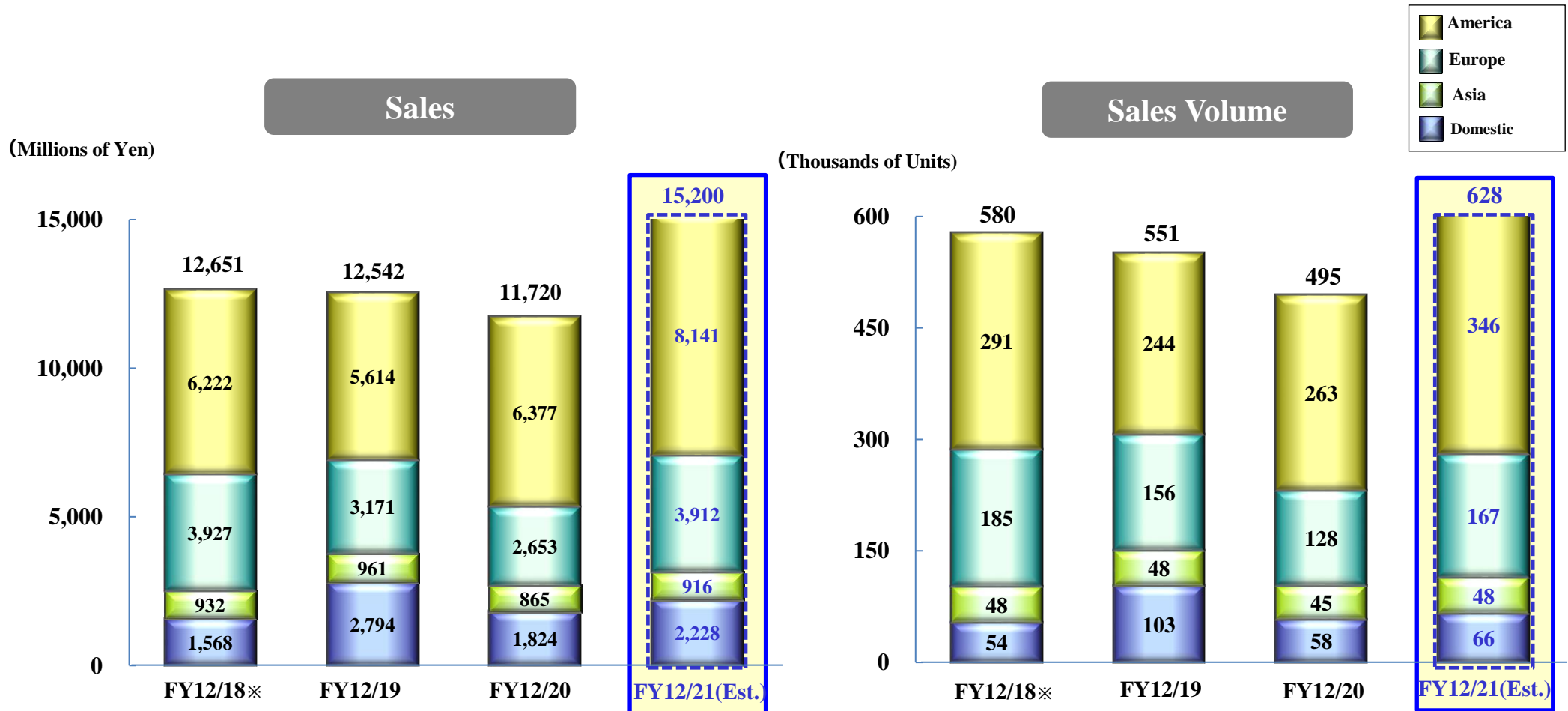


## Sales Volume

(Thousands of Units)

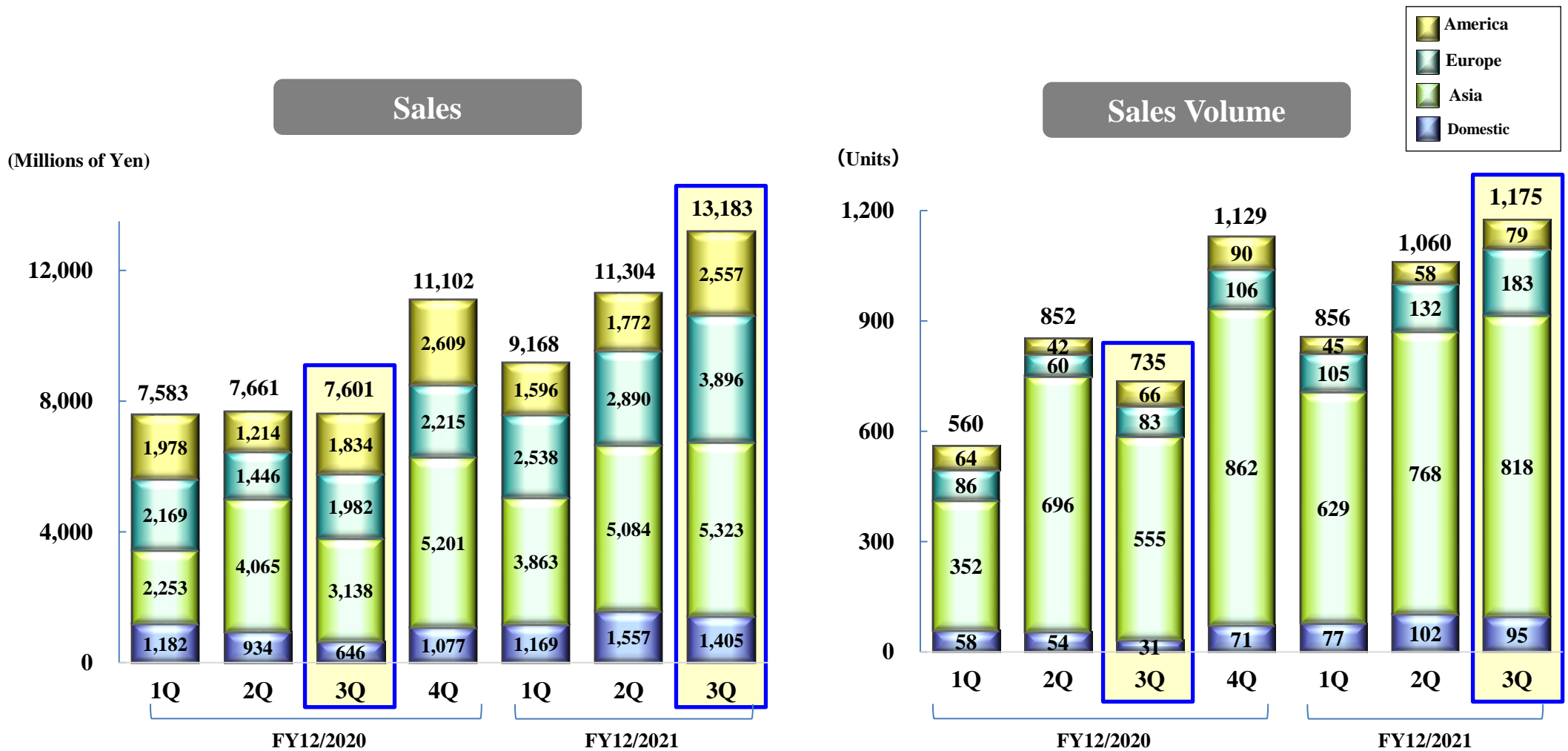


- In the U.S. market, sales increased significantly due to strong sales to the food delivery sector.
- In the European market, sales increased owing mainly to large orders.
- In the domestic market, sales increased due to robust trends in demand for mPOS applications.



As far as earnings forecasts for the full fiscal year are concerned, despite lingering uncertainty surrounding such factors as the procurement of components and parts, due to robust sales to the food delivery sector and upswing of actual for the cumulative third quarter period of the fiscal year under review, sales for the full fiscal year are projected to increased significantly.

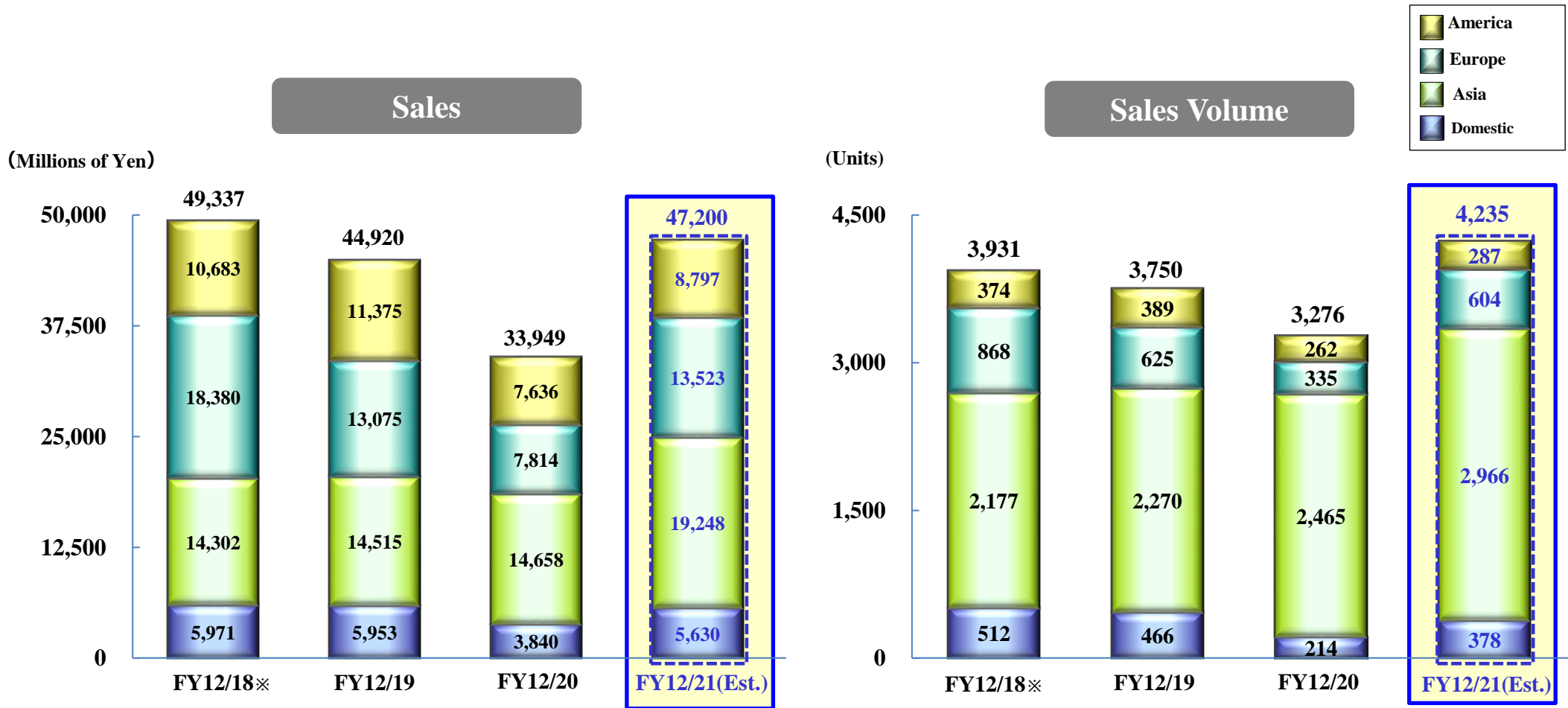
※The consolidated fiscal period for the fiscal period ended December 31, 2018 is based on and presented for a 10-month period for the Company and consolidated subsidiaries in Japan and a 12-month period for overseas consolidated subsidiaries.



- In the U.S. market, sales increased despite distribution delays, due to favorable market conditions across a wide range of industries, including medical equipment and general machinery such as hydraulic equipment.
- In the European and domestic markets, sales were robust on the back of an automotive-related recovery.
- In the Asian market, sales increased substantially owing to ongoing robust sales of mainly telecommunications- and automotive-related products in China.

\* Effective from the fiscal year ended December 31, 2020, the Precision Products Segment has been included in this Segment (domestic sales).





As far as earnings forecasts for the full fiscal year are concerned, because of a recovery across a wide range of industries, and a strong order environment, despite lingering uncertainty surrounding such factors as the procurement of components and parts as well as distribution delays, sales are expected to increase significantly.

\* Effective from the fiscal year ended December 31, 2020, the Precision Products Segment has been included in this Segment (domestic sales).

※The consolidated fiscal period for the fiscal period ended December 31, 2018 is based on and presented for a 10-month period for the Company and consolidated subsidiaries in Japan and a 12-month period for overseas consolidated subsidiaries.

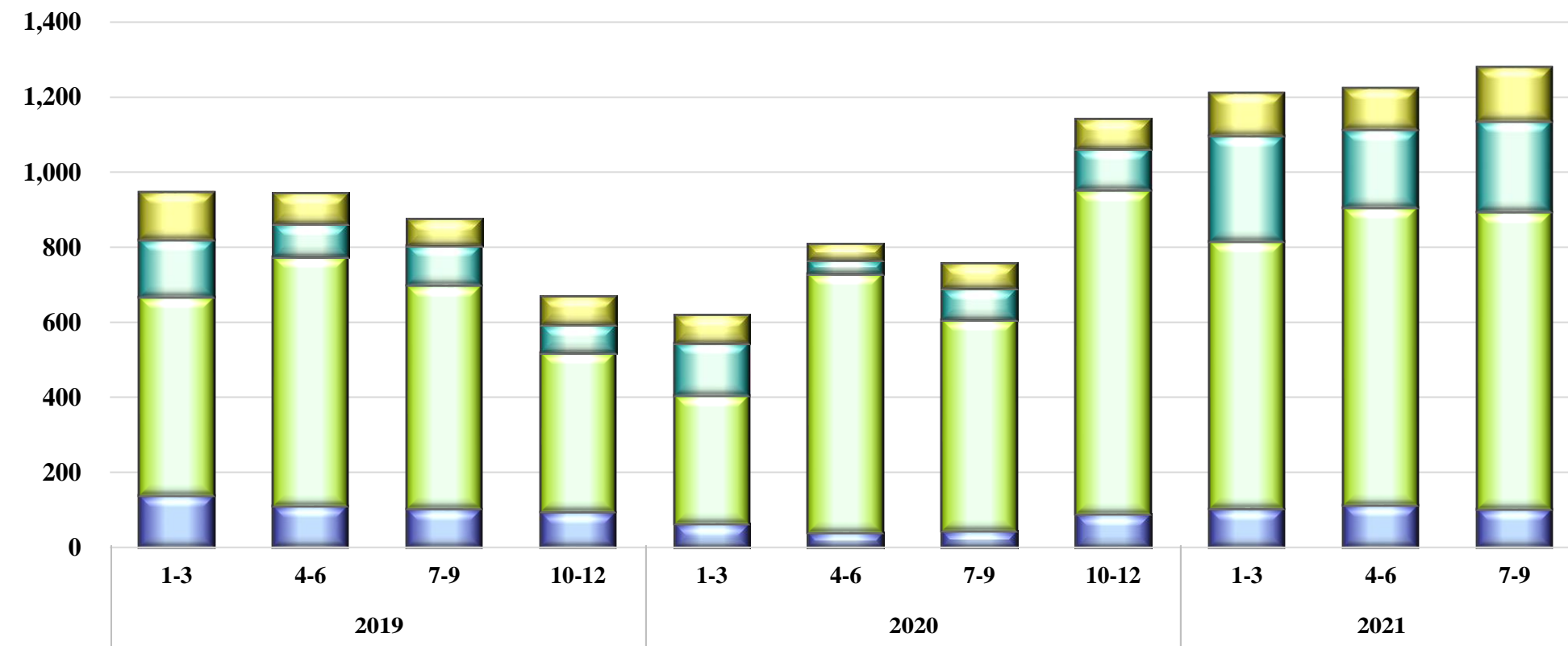
# Reference

# Trends in Quarterly Machine Tool Orders



(Ordered Unit)

(Units)



	2019				2020				2021		
	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9
<b>America</b>	127	82	71	76	74	44	67	80	114	111	144
<b>Europe</b>	153	87	108	75	142	37	83	110	282	208	242
<b>Asia</b>	529	666	595	425	340	690	563	863	712	793	792
<b>Domestic</b>	137	109	102	93	63	38	44	88	102	111	101
<b>Total</b>	<b>946</b>	<b>944</b>	<b>876</b>	<b>669</b>	<b>619</b>	<b>809</b>	<b>757</b>	<b>1,141</b>	<b>1,210</b>	<b>1,223</b>	<b>1,279</b>

## Special Products



Cash Drawer and Receipt Printer  
mPOP



POS Printer  
mC-Print series



POS Printer  
TSP100III series

## Machine Tools



CNC Swiss Type Automatic Lathe  
SX-38 type B



CNC Swiss Type Automatic Lathe  
SL-10



CNC Swiss Type Automatic Lathe  
SR-32JIII type B