

## Notice Regarding Revision to Business Results Forecasts for the Full Fiscal Year and the Fiscal Year-End Dividend Forecast (Special Dividend)

In light of recent trends in business results, STAR MICRONICS CO., LTD. (“the Company”) has decided to revise its business results forecasts previously announced on August 9, 2022. In addition, the Company has resolved to revise its period-end dividend forecast for the fiscal year ending December 31, 2022 at a meeting of its Board of Directors held on December 9, 2022 as follows.

### 1. Earnings forecast

#### (1) Revision of Consolidated Business Forecasts for Full-year Fiscal 2022

(January 1, 2022 to December 31, 2022)

|                       | Net Sales<br>(Millions of Yen) | Operating<br>Income<br>(Millions of Yen) | Ordinary<br>Income<br>(Millions of Yen) | Net Income<br>Attributable to<br>Owners of Parent<br>(Millions of Yen) | Net Income<br>Per Share<br>(Millions of Yen) |
|-----------------------|--------------------------------|--|---|--|--|
| Previous Forecasts: A | 80,500                         | 10,800                                   | 11,100                                  | 7,900  | 207.99                                       |
| Revised Forecasts: B  | 86,000                         | 13,000                                   | 13,000                                  | 9,100  | 239.57                                       |
| Change: B-A           | 5,500                          | 2,200                                    | 1,900                                   | 1,200  |  |
| Change: B vs. A (%)   | 6.8                            | 20.4                                     | 17.1                                    | 15.2   |  |
| (Reference) FY 2021   | 64,360                         | 7,415                                    | 7,795                                   | 5,740  | 150.83                                       |

#### (2) Reasons

As far as business results forecasts for the full fiscal year are concerned, both sales and profit are expected to exceed previous projections. In addition to the Company’s positive cumulative results for the nine-month period ended September 30, 2022, this upward expectation compared with previous projections reflects the anticipation that market conditions will remain robust for both the Special Products and Machine Tools segments in the fourth quarter as well as the impact of foreign currency exchange rates.

Please refer to the supplementary information on the page after next for earnings forecasts by segment.

\*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.

## 2. Dividend forecast

### (1) Revision of Year-end Dividend Forecast

|  | Annual Dividend |   |   |
|--|-----------------|---|---|
|  | 2Q end          | Year-end  | Full year   |
| Previous Forecasts<br>(Announced on<br>February 9, 2022) | ¥               | ¥<br>30.00  | ¥<br>60.00  |
| Revised Forecasts  |                 | 40.00   | 70.00   |
|  |                 | (Ordinary dividend) 30.00<br>(Special dividend) 10.00 | (Ordinary dividend) 60.00<br>(Special dividend) 10.00 |
| Actual Dividend for<br>Fiscal 2022                       | 30.00           |   |   |
| Actual Dividend for<br>Fiscal 2021                       | 29.00           | 29.00   | 58.00   |

### (2) Reasons

The Company positions the return and distribution of profits to shareholders as an important management priority. The Company also maintains the basic policy to pay a stable annual dividend of ¥60 or more per share with a target total consolidated payout ratio of at least 50%, including the repurchase of own shares.

Based on this policy, the Company had planned to pay a period-end dividend of ¥30 per share for the fiscal year ending December 31, 2022. Taking into account the forecast of record-high consolidated net sales and net income attributable to owners of parent for the fiscal year under review and the critical need to upgrade and expand the return and distribution of profits to shareholders, the Company has decided to pay a period-end dividend of ¥40 per share, comprising an ordinary dividend of ¥30 per share and a special dividend of ¥10 per share. Together with the interim dividend of ¥30 per share, the Company now plans to pay a record-high annual dividend of ¥70 per share.

(Supplemental Information)  
Consolidated Forecasts (By Segment)

(Millions of yen)

|                           |                  | Full-year Fiscal 2022 |                   |        |      |
|---------------------------|------------------|-----------------------|-------------------|--------|------|
|                           |                  | Previous Forecasts    | Revised Forecasts | Change |      |
|                           |                  |                       |                   | Amount | (%)  |
| Special Products          | Net Sales        | 15,890                | 17,370            | 1,480  | 9.3  |
|                           | Operating Income | 2,570                 | 3,070             | 500    | 19.5 |
|                           | Income Ratio (%) | 16.2                  | 17.7              |        |      |
| Machine Tools             | Net Sales        | 64,610                | 68,630            | 4,020  | 6.2  |
|                           | Operating Income | 10,580                | 11,980            | 1,400  | 13.2 |
|                           | Income Ratio (%) | 16.4                  | 17.5              |        |      |
| Eliminations or Corporate |                  | (2,350)               | (2,050)           | 300    |      |
| Consolidated              | Net Sales        | 80,500                | 86,000            | 5,500  | 6.8  |
|                           | Operating Income | 10,800                | 13,000            | 2,200  | 20.4 |
|                           | Income Ratio (%) | 13.4                  | 15.1              |        |      |