

**Notice regarding Repurchase of Shares  
(Repurchase of Shares pursuant to Provisions of Articles of Incorporation  
in accordance with Article 459, Paragraph 1, Item 1 of the Companies Act)**

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STAR MICRONICS CO., LTD. (the "Company") resolved, at its Board of Directors' meeting held on May 31, 2016, to repurchase its own shares, pursuant to the provision of the Company's Articles of Incorporation in accordance with the provision of Article 459, Paragraph 1, Item 1 of the Companies Act. Brief details are presented as follows.

**1. Reason for Repurchase**

The Company intends to repurchase its own shares in order to improve capital efficiency and implement flexible capital policies that meet the changes in the business environment.

**2. Matters regarding Repurchase**

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|-----|---|--|
| (1) | Class of Shares to be Repurchased               | Common stock of the Company  |
| (2) | Total Number of Shares which may be Repurchased | Up to 4,500,000 shares<br>(10.63% of the total issued shares (excluding treasury stock)) |
| (3) | Total Repurchase Price of Shares                | Up to ¥5 billion   |
| (4) | Repurchase Period                               | From June 1, 2016 to December 30, 2016   |
| (5) | Repurchase Method                               | Market purchase at the Tokyo Stock Exchange  |
- (Note) The purchase order may not be implemented, in whole or in part, depending on market conditions and other factors.

(Reference)

1. The Company resolved at its Board of Directors' meeting held on May 31, 2016 to issue Zero Coupon Convertible Bonds due 2021 (bonds with stock acquisition rights (*tenkanshasaigata shinkabu yoyakuken-tsuki shasai*)). Part of the net proceeds of the issue of such bonds will be used for the repurchase of its own shares referred to above.

2. Status of Treasury Stock as of April 30, 2016

Total Issued Shares (Excluding Treasury Stock):	42,319,794 shares
Number of Treasury Stock:	4,713,440 shares

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