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Securities Code: 7718
March 8, 2019

Dear Shareholders with Voting Rights:

STAR MICRONICS CO., LTD.
20-10, Nakayoshida, Suruga-ku,
Shizuoka-shi, Shizuoka Prefecture,
Japan

NOTICE OF THE 94th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 94th Ordinary General Meeting of Shareholders of STAR MICRONICS CO., LTD (“the Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot or via the Internet, etc. Please review the Reference Documents for General Meeting of Shareholders and return the enclosed Voting Rights Exercise Form with your vote so as to arrive by 5:00 p.m. on Wednesday, March 27, 2019.

Very truly yours,

Mamoru Sato
President and CEO

The 94th Ordinary General Meeting of Shareholders

- 1. Date and Time:** 10:00 a.m., Thursday, March 28, 2019.
(The Company has implemented a change in fiscal term-end from the last day of February to December 31 resolved, at the 93rd Ordinary General Meeting of Shareholders, held on May 24, 2018. Consequently, the 94th fiscal year (the current fiscal year) is a transitional period of 10 months from March 1, 2018 to December 31, 2018. Therefore, the date of the General Meeting differs from the anniversary of the preceding General Meeting.)
- 2. Place:** Conference Room, Head Office of the Company
20-10, Nakayoshida, Suruga-ku, Shizuoka-shi, Shizuoka Prefecture
- 3. Agenda of the Meeting:**
Matters to be reported:
 1. Business Report, Consolidated Financial Statements for the 94th Fiscal Term (from March 1, 2018 to December 31, 2018) and results of audits by the Accounting Auditor and Audit & Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the 94th Fiscal Term (from March 1, 2018 to December 31, 2018)**Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Decrease in the Amount of Legal Capital Reserve
 - Proposal 3:** Election of four (4) Directors (excluding Directors who serve as Audit & Supervisory Committee Members)

- ◎ For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.
- ◎ If there is any modification in the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, the modified matter will be posted on our Internet website (<https://www.star-m.jp/eng/index.html>).

Reference Documents for General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company positions the return and distribution of profits to shareholders as an important management priority. For this fiscal year, we intend to implement the basic policy of a consolidated total payout ratio of at least 50% including the repurchase of own shares while taking into consolidated DOE (Dividend on Equity Ratio).

Based on the above policy, the Company proposes to pay a year-end cash dividend for this fiscal year of ¥27 per share. Due to this, because interim dividends of ¥27 per share have already been paid, annual dividends will be ¥54 per share, an increase of ¥2 per share from the previous fiscal year.

1. Class of dividend assets
Money
2. Matters concerning the allotment of dividend assets to shareholders and total amount
¥27 per share of common stock of the Company (annual dividend including the interim dividend is ¥54 per share)
Total amount of dividends: ¥968,276,106
3. The date when dividend of surplus becomes legally valid
March 29, 2019

Proposal 2: Decrease in the Amount of Legal Capital Reserve

1. Reasons for decreasing the Company's legal capital reserve

In accordance with Article 448, Paragraph 1 of the Companies Act of Japan, the Company is looking to decrease its legal capital reserve while increasing its other capital surplus in order to put aside the necessary funds to retire treasury stock and to maintain an agile and flexible capital policy going forward.

2. Details of the decrease in legal capital reserve

- (1) Amount of legal capital reserve decrease

The Company will decrease the amount of legal capital reserve by ¥10,000,000,000 from ¥13,876,517,237 and transfer the amount in full to the Company's other capital surplus, making the amount of legal capital reserve to ¥3,876,517,237 after decreasing.

- (2) Scheduled effective date of decreasing the amount of legal capital reserve

May 16, 2019

Proposal 3: Election of four (4) Directors (excluding Directors who serve as Audit & Supervisory Committee Members)

The terms of office of all of four (4) Directors (here and hereafter in this proposal, excluding Directors who serve as Audit & Supervisory Committee Members) will expire at the conclusion of this meeting. Accordingly, election of the following four (4) Directors is proposed.

Moreover, for this proposal, we have received opinions from the Audit & Supervisory Committee that all nominees for Director are qualified.

The nominees for Directors are as follows:

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
1.	<p>Reelection</p> <p>Hajime Sato (December 23, 1951)</p>	<p>April 1975 Enters the Company as an employee</p> <p>March 1992 Manager, Presidential Office</p> <p>October 1993 General Manager, General Affairs Department</p> <p>May 1995 Director of the Company</p> <p>June 1995 General Manager, IS Department</p> <p>August 1996 General Manager, Human Resources Department</p> <p>May 1999 General Manager, Finance & Accounting Department</p> <p>September 1999 Senior General Manager, General Administration Headquarters</p> <p>May 2000 Senior General Manager, Electronic Products Group Headquarters</p> <p>May 2002 Managing Director of the Company</p> <p>May 2006 Senior Managing Director of the Company</p> <p>May 2009 Representative Director, President and CEO of the Company</p> <p>March 2017 Representative Director, Chairman of the Board of Directors of the Company (to present)</p>	105,400
<p>[Reasons for deciding a nominee for a Director]</p> <p>Mr. Hajime Sato has extensive experience gained while serving as one of the Company's managers for a long period of time, and from May 2009, as President and CEO, he has shown strong leadership and decision-making capabilities based on his high level of knowledge and track record with regard to management. From March 2017, as Chairman of the Board of Directors, he has been fulfilling his responsibilities appropriately in the overall management of the Group as well as in the operation of the Board of Directors. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.</p>			

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions		Number of shares of the Company held
2.	Reelection Mamoru Sato (January 5, 1960)	July 1984	Enters the Company as an employee	62,400
		June 2004	Executive Manager, Sales and Marketing Department, Special Products Division	
May 2008	Director of the Company Deputy General Manager, Special Products Division			
March 2009	General Manager, Special Products Division			
March 2012	Executive Officer of the Company Senior Vice General Manager, General Administration Headquarters			
May 2012	General Manager, General Administration Headquarters			
May 2014	Managing Director of the Company			
March 2017	Representative Director, President and CEO of the Company (to present)			
[Reasons for deciding a nominee for a Director] In addition to his extensive experience and track record gained while carrying out business execution at the Special Products Division and the General Administration Headquarters, Mr. Mamoru Sato possesses knowledge of management gained primarily from his experience engaging in management as a Managing Director for both of these organizations. Also, from March 2017, as President and CEO, he has been the driving force in the overall management of the Group. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.				
3.	Reelection Hiroshi Tanaka (August 6, 1954)	August 1980	Enters the Company as an employee	19,700
		June 2001	Executive Manager, Sales and Marketing Department, Machine Tools Division, Mechanical Products Group Headquarters	
September 2004	Executive Manager, Sales and Marketing Department, Machine Tools Division			
May 2006	Director of the Company, Deputy General Manager, Machine Tools Division, Executive Manager, Sales and Marketing Department, Machine Tools Division			
May 2007	General Manager, Machine Tools Division, Mechanical Products Group Headquarters			
May 2008	General Manager, Machine Tools Division			
March 2012	Executive Officer of the Company			
May 2014	Managing Director of the Company (to present)			
September 2017	General Manager, Precision Products Division (to present)			
[Reasons for deciding a nominee for a Director] In addition to his extended experience and track record gained through business execution at the Machine Tools Division for a long period of time, with his experience of being engaged in management as a Managing Director and other experience, Mr. Hiroshi Tanaka possesses knowledge of management with regard to our Precision Products Division and Special Products Division. For these reasons, the Company judges that he is eligible to be a Director of the Company, and would like to reelect him as a Director.				

No.	Name (Date of Birth)	Career summary, status and assignment at the Company, and important concurrent positions	Number of shares of the Company held
4.	Reelection Outside Independent Seigo Iwasaki (October 8, 1946)	<p>March 1996 Director, Shizuoka Gas Company, Ltd.</p> <p>March 2000 Managing Director, Shizuoka Gas Company, Ltd.</p> <p>March 2001 Senior Managing Director, Shizuoka Gas Company, Ltd.</p> <p>March 2006 Representative Director, President, Shizuoka Gas Company, Ltd</p> <p>January 2011 Representative Director, Chairman of the Board of Directors, Shizuoka Gas Company, Ltd.</p> <p>May 2014 Outside Director of the Company (to present)</p> <p>June 2015 Outside Director, Murakami Corporation (to present)</p> <p>January 2018 Director and Special Advisor, Shizuoka Gas Company, Ltd. (to present)</p> <p>June 2018 Outside Director, TOSHIBA MACHINE CO., LTD. (to present)</p> <p>(Important concurrent positions) Director and Special Advisor, Shizuoka Gas Company, Ltd. Outside Director, Murakami Corporation Outside Director, TOSHIBA MACHINE CO., LTD.</p>	6,000
<p>[Reasons for deciding a nominee for an Outside Director] Mr. Seigo Iwasaki has been the Representative Director of Shizuoka Gas Company, Ltd. for a long period of time. The Company would like to elect him as an Outside Director in the hope that he will continue to utilize his abundant experience and broad knowledge as a business manager in the Company's adequate decision making process and supervision of the Directors' business execution.</p>			

Notes:

1. No conflict of interest exists between the Company and the above nominees for Directors.
2. Mr. Seigo Iwasaki is a nominee for an Outside Director.
3. Mr. Seigo Iwasaki is an Outside Director of the Company at present, and his incumbent term of office as an Outside Director will be four years and ten months as of the conclusion of this General Meeting of Shareholders.
4. The Company has designated and reported to the Tokyo Stock Exchange, Inc. that Mr. Seigo Iwasaki is an Independent Director as set forth in the Regulations of the Tokyo Stock Exchange. Furthermore, proposed agenda pass in its original form, he is to remain as an Independent Director.
5. Pursuant to the provisions of paragraph 1, Article 427 of the Companies Act, the Company has entered into an agreement with Mr. Seigo Iwasaki to limit liability due to negligence of duties; provided, however, that the limit on liability under the relevant agreement shall be an amount set forth by law. Furthermore, should this proposed agenda pass in its original form, the Company will plan to sustain such current agreement with him.

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