

## PROFILE

Founded in 1950 and based in Shizuoka Prefecture, Star Micronics Co., Ltd. has consistently based its growth on its expertise in precision processing and assembly. The Company's first business was components for wristwatches. This underpinned successful entries into markets for machine tools, printers and electronic buzzers. Today's Star Micronics has four core elements: components, mainly micro audio components; special products, mainly printers; machine tools, mainly CNC automatic lathes; and precision products, mainly wristwatch parts, HDD parts and other components.

A global organization, Star Micronics has manufacturing and sales bases in Europe, North America, Asia and other parts of the world. As of February 2009, there were 6\* Japanese and 16 overseas consolidated subsidiaries. The total workforce numbered about 7,700.

Star Micronics constantly aims to be a global-facing business group that targets growth fields and regions, while at the same time seeking to fulfill its corporate social responsibility and increase corporate value.

\*On March 1, 2009, the number of Japanese consolidated subsidiaries changed from six to four due to the merging of subsidiaries.

## CONTENTS

01	FINANCIAL HIGHLIGHTS
02	AT A GLANCE BY SEGMENT
04	AT A GLANCE BY REGION
05	TO OUR SHAREHOLDERS
06	INTERVIEW WITH PRESIDENT AND CEO HAJIME SATO
12	CORPORATE GOVERNANCE
13	CONSOLIDATED FIVE-YEAR SUMMARY
14	MANAGEMENT'S DISCUSSION AND ANALYSIS
24	CONSOLIDATED BALANCE SHEETS
26	CONSOLIDATED STATEMENTS OF INCOME
27	CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
28	CONSOLIDATED STATEMENTS OF CASH FLOWS
29	NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
45	INDEPENDENT AUDITORS' REPORT
46	STOCK INFORMATION
47	CORPORATE DATA

### FORWARD-LOOKING STATEMENTS

Statements in this annual report with respect to Star Micronics' plans, strategies and beliefs as well as all other statements that are not historical facts are forward-looking statements involving risks and uncertainties. These forward-looking statements rely on a number of assumptions concerning future events. The important factors that could cause actual results to differ materially from such statements include, but are not limited to, general worldwide economic conditions, competitive pressure on sales and pricing, and movements of currency exchange rates.