# CONSOLIDATED BALANCE SHEETS

Star Micronics Co., Ltd. and Consolidated Subsidiaries  
February 28, 2011 and 2010

## Assets

<table>
<thead>
<tr>
<th>Assets</th>
<th>2011</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (Note 14)</td>
<td>¥ 13,217</td>
<td>¥ 14,373</td>
<td>$ 161,183</td>
</tr>
<tr>
<td>Marketable securities (Notes 3 and 14)</td>
<td>406</td>
<td></td>
<td>4,951</td>
</tr>
<tr>
<td>Short-term investments (Notes 4 and 14)</td>
<td>1,578</td>
<td>1,002</td>
<td>19,244</td>
</tr>
<tr>
<td>Receivables (Note 14):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade notes and accounts receivable</td>
<td>8,904</td>
<td>8,847</td>
<td>108,586</td>
</tr>
<tr>
<td>Unconsolidated subsidiaries and associated companies</td>
<td>385</td>
<td>267</td>
<td>4,695</td>
</tr>
<tr>
<td>Other</td>
<td>575</td>
<td>719</td>
<td>7,012</td>
</tr>
<tr>
<td>Allowance for doubtful receivables</td>
<td>(219)</td>
<td>(444)</td>
<td>(2,671)</td>
</tr>
<tr>
<td>Inventories (Note 5)</td>
<td>9,522</td>
<td>9,020</td>
<td>116,122</td>
</tr>
<tr>
<td>Deferred tax assets (Note 11)</td>
<td>150</td>
<td>229</td>
<td>1,829</td>
</tr>
<tr>
<td>Prepaid expenses and other</td>
<td>318</td>
<td>333</td>
<td>3,878</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>34,836</td>
<td>34,346</td>
<td>424,829</td>
</tr>
</tbody>
</table>

## Property, plant and equipment (Note 6):

<table>
<thead>
<tr>
<th>Property, plant and equipment</th>
<th>2011</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>2,450</td>
<td>2,458</td>
<td>29,878</td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>12,754</td>
<td>12,601</td>
<td>155,537</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>23,109</td>
<td>24,052</td>
<td>281,817</td>
</tr>
<tr>
<td>Lease assets</td>
<td>72</td>
<td>50</td>
<td>878</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>1</td>
<td>370</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>38,386</td>
<td>39,531</td>
<td>468,122</td>
</tr>
</tbody>
</table>

## Accumulated depreciation

<table>
<thead>
<tr>
<th>Accumulated depreciation</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(27,837)</td>
<td></td>
<td></td>
<td>(339,475)</td>
</tr>
<tr>
<td><strong>Net property, plant and equipment</strong></td>
<td>10,549</td>
<td>11,678</td>
<td>128,647</td>
</tr>
</tbody>
</table>

## Investments and other assets:

<table>
<thead>
<tr>
<th>Investments and other assets</th>
<th>2011</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment securities (Notes 3 and 14)</td>
<td>2,274</td>
<td>2,732</td>
<td>27,731</td>
</tr>
<tr>
<td>Investments in and advances to unconsolidated subsidiaries and associated companies</td>
<td>137</td>
<td>166</td>
<td>1,671</td>
</tr>
<tr>
<td>Goodwill</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets (Note 11)</td>
<td>517</td>
<td>682</td>
<td>6,305</td>
</tr>
<tr>
<td>Other assets</td>
<td>937</td>
<td>1,067</td>
<td>11,427</td>
</tr>
<tr>
<td><strong>Total investments and other assets</strong></td>
<td>3,865</td>
<td>4,657</td>
<td>47,134</td>
</tr>
</tbody>
</table>

| Total                                       | ¥ 49,250 | ¥ 50,681 | $ 600,610 |

See notes to consolidated financial statements.
### Liabilities and equity

<table>
<thead>
<tr>
<th></th>
<th>Millions of yen</th>
<th>Thousands of U.S. dollars (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
<td>2010</td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables (Note 14):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade notes and accounts payable</td>
<td>¥ 5,861</td>
<td>¥ 2,816</td>
</tr>
<tr>
<td>Unconsolidated subsidiaries and associated companies</td>
<td>3</td>
<td>37</td>
</tr>
<tr>
<td>Other</td>
<td>1,193</td>
<td>1,207</td>
</tr>
<tr>
<td>Short-term bank loans (Notes 7 and 14)</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Current portion of long-term debt (Note 7)</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td>Income taxes payable (Note 11)</td>
<td>206</td>
<td>226</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>569</td>
<td>589</td>
</tr>
<tr>
<td>Deferred tax liabilities (Note 11)</td>
<td>525</td>
<td>1,311</td>
</tr>
<tr>
<td>Other</td>
<td>1,358</td>
<td>668</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>11,731</td>
<td>8,828</td>
</tr>
<tr>
<td><strong>Long-term liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term debt (Note 7)</td>
<td>48</td>
<td>42</td>
</tr>
<tr>
<td>Liability for retirement benefits (Note 8)</td>
<td>46</td>
<td>43</td>
</tr>
<tr>
<td>Deferred tax liabilities (Note 11)</td>
<td>199</td>
<td>257</td>
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<tr>
<td>Other</td>
<td>130</td>
<td>250</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td>423</td>
<td>592</td>
</tr>
<tr>
<td><strong>Contingent liabilities</strong> (Note 13)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong> (Notes 9, 10 and 18):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock, – authorized, 158,000,000 shares;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>issued, 51,033,234 shares in 2011 and 2010</td>
<td>12,722</td>
<td>12,722</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>13,876</td>
<td>13,876</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>25,779</td>
<td>26,587</td>
</tr>
<tr>
<td>Unrealized gain on available-for-sale securities</td>
<td>46</td>
<td>62</td>
</tr>
<tr>
<td>Foreign currency translation adjustments</td>
<td>(8,147)</td>
<td>(5,601)</td>
</tr>
<tr>
<td>Treasury stock – at cost</td>
<td>7,956,911 shares in 2011 and 6,965,942 shares in 2010</td>
<td>(7,864)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>36,412</td>
<td>40,610</td>
</tr>
<tr>
<td>Minority interests</td>
<td>684</td>
<td>651</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>37,096</td>
<td>41,261</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>¥49,250</td>
<td>¥50,681</td>
</tr>
</tbody>
</table>

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