

CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2011	2010	2011
Net sales	¥35,718	¥29,181	\$435,585
Cost of sales (Note 8)	23,265	22,326	283,719
Gross profit	12,453	6,855	151,866
Selling, general and administrative expenses (Notes 8 and 12)	11,024	10,840	134,439
Operating income (loss)	1,429	(3,985)	17,427
Other income (expenses):			
Interest and dividend income	173	227	2,110
Interest expense	(15)	(16)	(183)
Foreign exchange loss – net	(456)	(337)	(5,561)
Grant income		106	
Gain on sales of property, plant and equipment	135	47	1,646
Loss on disposals of property, plant and equipment	(35)	(134)	(427)
Loss on impairment of long-lived assets (Note 6)		(2,308)	
Special severance payments for early retired employees	(957)	(371)	(11,671)
Other – net	86	121	1,049
Other expenses – net	(1,069)	(2,665)	(13,037)
Income (loss) before income taxes and minority interests	360	(6,650)	4,390
Income taxes (Note 11):			
Current	739	289	9,012
Deferred	(632)	1,511	(7,707)
Total	107	1,800	1,305
Income (loss) before minority interests	253	(8,450)	3,085
Minority interests in net income	92	105	1,122
Net income (loss)	¥ 161	¥ (8,555)	\$ 1,963

	Yen		U.S. dollars (Note 1)
	2011	2010	2011
Per share of common stock (Notes 2.p, 9 and 16):			
Basic net income (loss)	¥ 3.71	¥(187.95)	\$0.05
Diluted net income			
Cash dividends applicable to the year	22.00	22.00	0.27

See notes to consolidated financial statements.