At a Glance by Region

In principle, Star Micronics seeks out global niche markets in developing business domains. Our corporate value is enhanced by taking a global perspective in optimizing everything from planning and development to manufacturing and sales in growth markets, such as emerging countries, where we do business.

Our First Business Base in Russia

In December 2011, Star Micronics Europe Ltd. (100% investment by Star Micronics; Location U.K.), a European sales subsidiary of our Special Products business, established an office in Moscow. This first business base in Russia will strengthen our marketing activity locally and enable us to provide stronger support to sales agents and customers. Star Micronics Europe plans to use this office to double POS printer sales in Russia over the next three years.

The Russian economy has continued to grow steadily on the back of rising crude oil prices and other factors. In this environment, POS systems are being used more widely at retailers and other locations. Accordingly, Russia’s POS printer market has become a promising market—one that offers prospects for continued expansion.

Europe

Sales by Segment

- The Special Products business saw demand and sales of its products recover to match the previous year. This was despite uncertain business conditions owing to the sovereign debt problem in Southern Europe and political unrest in the Middle East.
- The Machine Tools business, on the other hand, saw business increase as the weakening euro bolstered the competitiveness of European exporters and whetted their appetite for capital investments.

Asia

Sales by Segment

- In Asia, growth in demand for the Special Products business in China slowed.
- By contrast, sales in the Machine Tools business were buoyed by strong demand from auto and motorcycle makers eager to make capital investments in Asia.
- Our Precision Products business, on the other hand, was affected by the flooding in Thailand, and sales of HDD components consequently declined. Sales of components to automakers also declined due to model changes at target customers, and the impacts of the Great East Japan Earthquake.
Our Special Products business saw sales increase as demand continued to recover in the North American market on top of the strong demand from South America.

The Machine Tools business saw sales in the Americas rise against increased capital investment activity within the automotive industry and the medical equipment industry.

The Machine Tools business in Japan saw sales increase in response to a recovery in demand from automakers.

Our Precision Products business saw wristwatch component sales increase on the back of a firm sales trend for wristwatches made in Japan.

Strengthened Business Development Overseas with a Focus on Asia

In September 2011, our Special Products business established a sales subsidiary in Bangkok, Thailand, to serve as the base for strengthening sales activity in Southeast Asia. In addition, the Machine Tools business established a new manufacturing subsidiary in Nakhon Ratchasima, Thailand, in February 2012. Looking ahead, Star Micronics will steadily build a sales and production framework in Southeast Asia where the growth prospects remain attractive.

Meanwhile, the manufacturing base for our Precision Products business in Ayutthaya, Thailand, is recovering from damage it incurred amid the flooding in the region last fall. We plan to completely reopen this plant as soon as possible and capture local demand.