

Notice Regarding the Establishment of German Branch Office by European Sales Subsidiary

STAR MICRONICS CO., LTD. is proud to announce that Star Micronics Europe Ltd., (100% investment by Star Micronics, Location: U.K.), a special products sales subsidiary in Europe, has decided to establish a new branch in Frankfurt, Germany.

1. Reason for Establishment of Branch

Germany has the largest economy in Europe and is the economic leader in Europe as one of core countries of the European Union. Star Micronics Europe Ltd. has already been making sales activities, such as POS printers, in Germany through its local distributors. By establishing its branch in Germany, it plans to strengthen cooperation with sales distributors and correspond to market/customer requests with extreme care, to develop the market and boost demands mainly in the mPOS* and to expand sales in Germany and its surrounding areas.

Furthermore, while the U.K.'s withdrawal from the European Union is increasing the uncertainty over the free movement of "persons, goods and money" between UK and Continent, this branch will be a base in the Continent to flexibly respond to any changes in business environments including marketing and distribution activities.

*mPOS (mobile Point of Sales): mPOS is a Point of Sales system using smartphones, tablets or wireless devices, which can be introduced at a lower cost and more easily compared with a conventional POS systems that requires dedicated POS terminals or PCs.

2. Overview of New Branch

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| (1) Name: | Star Micronics Europe Ltd. German branch |
| (2) Establishment: | April 2017 |
| (3) Location: | Frankfurt, Germany |
| (4) Branch Manager: | Morihito Suzuki |
| (5) Number of Employees: | 4 |

3. Impact on Operating Results

Impact on operating results for the fiscal year ending February 28, 2018 is negligible

Appearance of the German Branch

