

Notice regarding Construction of a New Head Office Building

STAR MICRONICS CO., LTD. (“the Company”) announced details of its decision to construct a new head office building following a meeting of its Board of Directors held today as follows.

1. Objectives in Constructing a New Head Office Building

- (1) To put in place proper earthquake and other natural disaster countermeasures and to bolster its business continuity plan in light of the continued deterioration through age of its current head office building (20-10 Nakayoshida, Suruga-ku, Shizuoka City), which was completed in 1971.
- (2) To enhance efficiency and facilitate the consolidation of its operations through the relocation of its Special Products business, currently based at the Company’s Ihara Factory (536 Nanatsushinya, Shimizu-ku, Shizuoka City), to the new head office building.
- (3) To reduce its environmental load by introducing facilities and equipment that help to conserve energy.
- (4) To increase productivity by establishing new workstyles that incorporate information and communication technology.
- (5) To create a leading-edge workplace that is capable of inspiring creativity.

2. Overview of the New Head Office Building

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|--------------------------------|-------------------------------------------------------------------------------------------------|
| Location: | 20-10 Nakayoshida, Suruga-ku, Shizuoka City (South side of the current head office building) |
| Structure: | 7-floor steel construction (rooftop floor) base seismic isolation structure |
| Building Area: | Approximately 1,600 m ² (Approximately 480 tsubo) |
| Total Floor Area: | Approximately 9,100 m ² (Approximately 2,750 tsubo) |
| Design and Construction: | KIUCHI Construction Co., Ltd. (Kuniyoshida, Suruga-ku, Shizuoka City) |
| Total Project Cost: | Approximately ¥5 billion |
| Planned Start of Construction: | April 2017 |
| Planned Relocation: | August 2018 |

Note: The current head office building will be demolished after relocation. A grand opening is scheduled in 2020 to coincide with the Company’s 70th anniversary following the completion of landscaping work.

3. Impact on Operating Results

There is no change to the Company's consolidated business forecasts for the full fiscal year ending February 28, 2017 as a result of the construction of a new head office building.

(Overview of Materials)

Image of the new head office building upon completion.



Major Features of the New Head Office Building

- A seismic isolated structure that is capable of ensuring building integrity in the event of long-period seismic waves attributable to a massive 9.0-class magnitude earthquake centered in, for example, the Nankai Trough.
- High disaster prevention functions including emergency power source, stockpile warehouse, and emergency toilets.
- Cutting-edge air conditioning, electricity, and lighting equipment that deliver outstanding performance, comfort, and energy efficiency; environmentally conscious design including 6th floor terrace greenery.
- Communication stairwell located at the center of each level to connect each floor designed to eliminate gaps and office space waste.