

Notice Regarding Adjustment of Conversion Price for Zero Coupon Convertible Bonds due 2021

STAR MICRONICS CO., LTD. (the “Company”) hereby announces the adjustment of conversion price for the Zero Coupon Convertible Bonds due 2021 (the “Bonds”).

Adjustment of Conversion Price

Name of issue	Conversion price Prior to the adjustment	Conversion price after the adjustment
Zero Coupon Convertible Bonds due 2021	¥1,685.5	¥1,676.7

Effective date

Retroactively from January 1, 2020

Reason for the Adjustment

The meeting of the Company’s Board of Directors held on February 27, 2020 approved the payment of a year-end dividend in the amount of ¥28 per share, and accordingly with the interim dividend of ¥28 per share, the aggregate amount of dividend for the fiscal year ended December 31, 2019 has become ¥56 per share. As a result, the Conversion Price has been adjusted pursuant to Condition 5.2.4 of the terms and conditions of the Bonds (adjustment of Conversion Price due to distribution to shareholders of Extraordinary Dividends (as defined in Condition 5.2.4 of the terms and conditions of the Bonds)).

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This announcement is intended as general information regarding the above-mentioned convertible bonds issued by the Company. This announcement does not constitute an offer of, or the solicitation of an offer to buy or subscribe for the Bonds or the shares of common stock of the Company in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Bonds and the shares of common stock of the Company issuable upon exercise of, or upon acquisition by the Company of, the Stock Acquisition Rights (together, the "Securities") have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S of the Securities Act ("Regulation S")). The Securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. No public offering of the Securities will be made in the United States.