

ASTRO-MED[®], INC.

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CORPORATE PROFILE

Astro-Med® Inc. is a leading supplier of specialty instrumentation systems and supplies. The Company develops a wide range of advanced products marketed under brand names including Astro-Med, QuickLabel® Systems and Grass-Telefactor® based on a common underlying proprietary technology.

Astro-Med's product diversity and versatility are reflected in the Company's broad range of customers. Global customers include Fortune 500 companies as well as smaller firms throughout major industries such as aerospace, electronics, transportation, automotive, energy, health care, metals, paper, pharmaceutical, and education.

Astro-Med products are widely used for industrial and scientific test and measurement applications, for product identification applications in consumer and industrial markets, and for clinical and research purposes in the field of life sciences.

Astro-Med is a system certified ISO-9001 Company that focuses on product innovation, total quality and customer satisfaction.



TO OUR SHAREHOLDERS

The Fiscal Year that ended January 31, 2003, was characterized by an uneven sales pattern which mirrored the post 9/11 American economy. We experienced a weak First Quarter followed by an improved and profitable Second Quarter, only to encounter weakness in the Third Quarter, followed by a fairly strong Fourth Quarter. Throughout the first three quarters domestic sales were moderately good while export sales remained weak, but the Fourth Quarter brought a resurgence of export orders as well as strong domestic orders. As a result, we carried into the First Quarter of the new year a significant backlog as well as the promise of continued growth in new orders.

This report chronicles the past fiscal year and provides an insight as to how your management views the new year, which has already begun as this is written.

QUICKLABEL® SYSTEMS PRODUCT GROUP

Our QuickLabel Systems product group enjoyed strong new orders during the Fourth Quarter and this encouraging trend appears to be continuing into the new year. Our QuickLabel QLS-4100 Xe color printer which boasts better color control and higher print speed than the predecessor product is selling well. Applications in food, beverages and pharmaceuticals are especially strong. The new QLS-8100 Xe wide format color printer has been well received at trade shows and private demonstrations and we have received a number of orders although it has not yet been released for manufacture by our Research & Development department. That will take place later this spring.

We believe that the potential for both the QLS-4100 Xe and the QLS-8100 Xe is great as the practical advantages of printing *high quality variable information color labels on demand* has become more and more apparent to manufacturers and distributors. Increasing printer sales has brought increasing sales of media consumables, a growing and integral part of our business strategy.

GRASS-TELEFACTOR® PRODUCT GROUP

The Grass-Telefactor product group enjoyed strong new orders late in the year and this trend shows signs of continuing.

Market acceptance of the important new products recently introduced are driving the increased orders. Included are the *Comet® PSG* and the *Comet EEG* which bring dynamic new performance features to the rapidly growing sleep (PSG) market as well as in the well-established EEG market where Grass-Telefactor has always held a major market position. In the field of *Long Term Epilepsy Monitoring*, the new *Millennium®* is truly the state-of-the-art system and is widely accepted by hospitals and clinics around the world. All Grass-Telefactor clinical products are integrated with our advanced Windows-based software program called *TWin®* which continues to lead the industry in features and ease of use.

TEST AND MEASUREMENT PRODUCT GROUP

Orders and sales of our Test & Measurement product group languished during the year due to the decline in government sponsored aerospace research as the emphasis shifted to ordnance to prepare for the Iraq

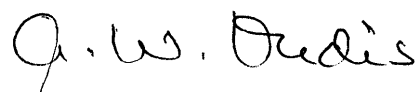
war. However, we have developed some new products which are oriented toward industrial application including the new *Dash*[®] 8X and the previously introduced *Dash 18*, with others in development. We believe these new products will help to return Test & Measurement to its traditional profile of sales growth and profitability. Meanwhile we continue to be a premier supplier to the aerospace market with our *Everest*[®] system, which was recently selected by Airbus of France for use in the development and testing of their massive new airliner, the A 380. In addition, we continue to supply our *Toughwriter*[®] series for use as a cockpit printer in military transport aircraft such as the C-17.

THE OUTLOOK

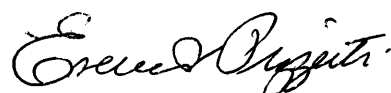
The wide acceptance of our new products combined with strengthening export sales give us

reason to be optimistic about the new year even though capital equipment purchases continue to be adversely affected by the unsettled world economy. Fortunately, a considerable percentage of our business is derived from the sale of consumables.

We will aggressively continue to pursue our strategy of sales growth and earnings improvement in the new year.



Albert W. Ondis, Chairman and Chief Executive Officer



Everett V. Pizzuti, President and Chief Operating Officer

FINANCIAL HIGHLIGHTS

	<i>Years ended January 31,</i>		
	2003	2002	2001
NET SALES	\$48,973,000	\$49,391,000	\$51,688,000
GROSS PROFIT	\$18,085,000	\$19,106,000	\$20,792,000
GROSS PROFIT MARGIN (%)	36.9%	38.7%	40.2%
NET INCOME (LOSS) (1)	(\$1,882,000)	(\$233,000)	\$302,000
NET INCOME (LOSS) PER SHARE (2)	(\$0.44)	(\$0.05)	\$0.07
AVERAGE NUMBER OF SHARES OUTSTANDING (3)	4,269,000	4,259,000	4,408,000
CASH DIVIDENDS PER SHARE	\$0.16	\$0.16	\$0.16
BOOK VALUE PER COMMON SHARE (3)	\$6.81	\$7.36	\$7.63

(1) Fiscal year 2003 includes \$490,000 in restructuring charges and \$820,000 non-cash charge to the valuation allowance for deferred tax assets. (2) Assuming dilution. (3) Based on the number of shares outstanding at each year end.

CORPORATE AND SHAREHOLDER INFORMATION

DIRECTORS

Albert W. Ondis, Chairman and Chief Executive Officer of Astro-Med, Inc.

Everett V. Pizzuti, President and Chief Operating Officer of Astro-Med, Inc.

Jacques V. Hopkins, ESQ, Retired Partner, Hinckley, Allen & Snyder LLP (Attorneys at Law)

Hermann Viets, Ph.D, President of the Milwaukee School of Engineering

Graeme MacLetchie, Director, Deutsche Bank Alex Brown (Private Client Division)

GENERAL COUNSEL

Hinckley, Allen & Snyder LLP
Providence, Rhode Island 02903

INDEPENDENT ACCOUNTANTS

Ernst & Young LLP
Providence, Rhode Island 02903

TRANSFER AGENT AND REGISTRAR

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016
(800) 368-5948
www.rtco.com

ANNUAL MEETING

The Annual Meeting of Shareholders will be held at 10:00 a.m. on Tuesday, May 13, 2003 at the offices of the Company, located at 600 East Greenwich Avenue, West Warwick, Rhode Island.

CORPORATE HEADQUARTERS

600 East Greenwich Avenue
West Warwick, Rhode Island 02893
(401) 828-4000

COMMON STOCK

Astro-Med, Inc.'s common stock is listed on the Nasdaq Stock Market.

Ticker Symbol: ALOT

The closing price on April 7, 2003 was \$3.38.

DIVIDENDS

Astro-Med, Inc.'s quarterly dividends on common stock are paid on or about the fourth day of January, April, July and October. The Company has paid 46 consecutive quarterly dividends.

INVESTOR INQUIRIES

Securities analysts, portfolio managers and other interested investors seeking information about the Company may send inquiries to our E-mail address at: InvestorRelations@astromed.com.

WORLDWIDE WEB SITES

www.astro-med.com
www.quicklabelsystems.com
www.grass-telefactor.com
E-mail: astromed@astromed.com

PRODUCT INFORMATION

For information about Astro-Med products or services, call us toll-free in the US at (800) 343-4039.



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www.astro-med.com

WORLDWIDE OFFICES

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FRANCE

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78190 Trappes

GERMANY

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ITALY

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20132 Milano

NETHERLANDS

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