



Astro-Med's mission is to build shareholder value by applying our proprietary digital technology and shared manufacturing and administrative resources to serve the growing packaging, neurological and test & measurement markets with industry-leading capital products that produce on-going consumable revenues. 

ASTRO-MED®, INC.

ANNUAL REPORT
YEAR ENDED JANUARY 31, 2005



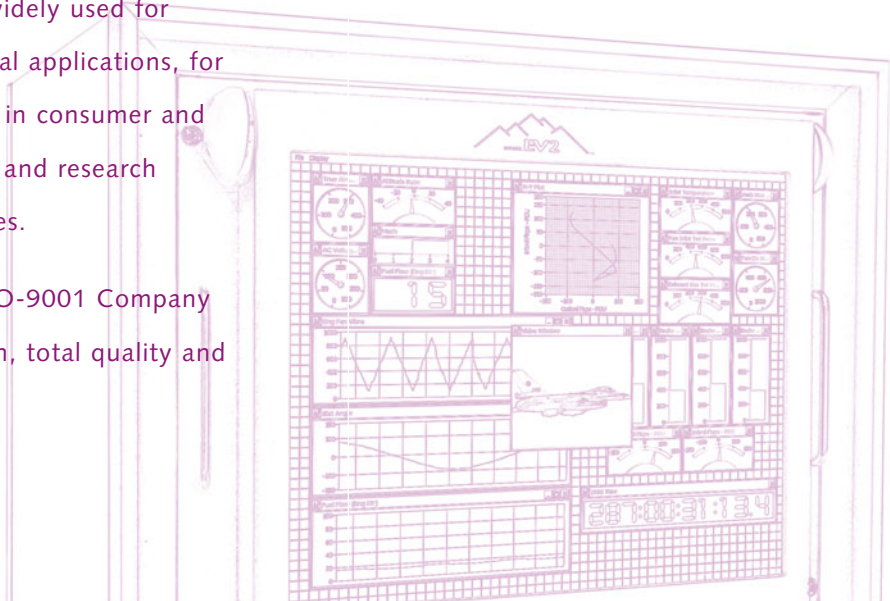
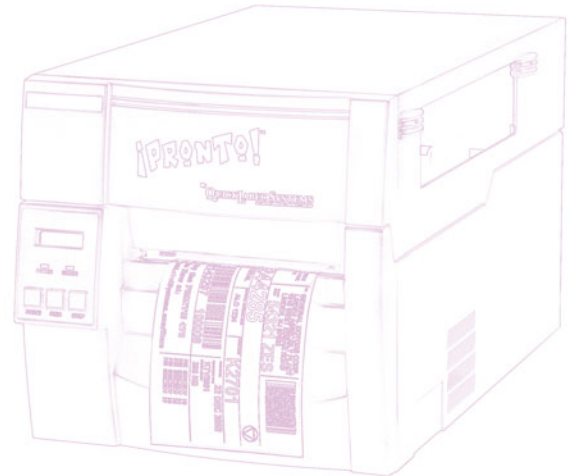
CORPORATE PROFILE

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

Astro-Med's product diversity and versatility are reflected in the Company's broad range of global customers including Fortune 500 companies as well as hospitals and smaller firms engaged in aerospace, electronics, food and beverages, transportation, automotive, energy, health care, metals, paper, pharmaceuticals, and education.

Astro-Med's digital products are widely used for demanding aerospace and industrial 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.



Front cover images – top: *ToughWriter 4* - Airborne high speed printer • bottom left: *QLS-4100 Xe* - Digital color label printer • bottom right: *Aura* - Portable ambulatory recorder. **Inside cover images** – top: *Labels* - Printed by the QuickPrint Label Printing Service • middle: *Pronto!* - Barcode label printer • bottom: *EV2* - Data acquisition workstation. **Back cover images** – top: *ToughSwitch* - Ruggedized Ethernet switch • bottom: *Comet* - Portable PSG system.

TO OUR SHAREHOLDERS

The Fiscal Year which ended January 31, 2005 (Fiscal year 2005) was a year of considerable achievement and some disappointment. Our revenues and gross profit were flat with the prior year and, because we chose to promote future growth with increased investment in Sales & Marketing and Research & Development initiatives, our net income declined to \$2,710,000 from \$3,217,000 in the prior year.

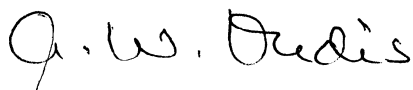
Our considerable achievements include expanding our domestic and international sales organization with experienced professionals, and increasing our R&D staff with outstanding engineers. Both investments will propel the Company's sales growth. In addition, as the year ended, our development of an advanced airborne cockpit printer was attracting considerable attention from major aircraft manufacturers and their sub-contractors. The market for these advanced avionics products is significant and although we have strong competitors, we remain confident we will continue to be a major participant in this new market for many years to come.

Our considerable achievements also include major product improvements across all product groups, including new features for which we have filed patent applications in the US and in several key foreign countries. These pending patent applications also cover some exciting, entirely new products which will be introduced in the New Year. We are very proud of the inventiveness of our engineers and believe that these new products will produce significant future revenues and profits.

THE YEAR AHEAD

For the Fiscal Year ending January 31, 2006 (Fiscal Year 2006) we are forecasting that revenues will grow to \$62 million and net income to reach between \$2.7 million and \$3.0 million, equal to 47 cents to 51 cents per diluted share. This forecast represents revenue growth of 11% and net income growth of more than 50% from the prior year's net income after excluding the one time \$0.9 million in favorable tax treatment realized in FY2005.

We invite shareholders and investors to visit the Astro-Med corporate website at www.Astro-MedInc.com.



Albert W. Ondis, Chairman and Chief Executive Officer



Everett V. Pizzuti, President and Chief Operating Officer

FINANCIAL HIGHLIGHTS

Years ended January 31,

	2005(1)	2004	2003(2)
NET SALES	\$55,975,000	\$55,781,000	\$49,165,000
GROSS PROFIT	\$23,046,000	\$22,989,000	\$18,085,000
GROSS PROFIT MARGIN (%)	41.2%	41.2%	36.8%
OPERATING INCOME	\$2,570,000	\$3,645,000	(\$1,395,000)
NET INCOME (LOSS)	\$2,710,000	\$3,217,000	(\$1,882,000)
NET INCOME (LOSS) PER SHARE (3)	\$0.47	\$0.60	(\$0.40)
AVERAGE NUMBER OF SHARES OUTSTANDING (4)	5,781,000	5,342,000	4,695,000
CASH FLOW FROM OPERATIONS	\$3,368,000	\$4,445,000	\$2,681,000
FREE CASH FLOW	\$1,396,000	\$3,019,000	\$1,380,000
CASH DIVIDENDS PER SHARE	\$0.16	\$0.16	\$0.16
BOOK VALUE PER COMMON SHARE (4)	\$7.28	\$6.50	\$6.07

(1) Fiscal year 2005 includes a \$939,000 one time non cash tax benefit related to the release of the valuation allowances on the deferred tax asset that was established in fiscal year 2003.

(2) Fiscal year 2003 includes \$490,000 in restructuring charges and \$820,000 non-cash charge to the valuation allowance for deferred tax assets.

(3) Assuming dilution.

(4) 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 10, 2005 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 USA
(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 8, 2005 was \$9.01.

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 54 consecutive quarterly dividends.

INVESTOR INQUIRIES

Securities analysts, portfolio managers and other interested investors seeking information about the Company may visit our website at:

www.Astro-MedInc.com or send inquiries to:
InvestorRelations@astromed.com.

PRODUCT INFORMATION

For information about Astro-Med products and services, please call us at (800) 343-4039 (toll-free US & Canada) or +44 (401) 828-4000 or visit our product group websites:

www.Astro-Med.com

www.Grass-Telefactor.com

www.QuickLabel.com



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www.Astro-MedInc.com

WORLDWIDE OFFICES

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J4G 1T8

FRANCE

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GERMANY

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Senefelderstrasse 1/T6
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ITALY

Astro-Med S.R.L.
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