FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1999-03-26** | Period of Report: **1999-01-03**
SEC Accession No. 0000950152-99-002427

FILER

STANDARD REGISTER CO

CIK:**93456**| IRS No.: **310455440** | State of Incorp.:**OH** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **001-11699** | Film No.: **99573657**
SIC: **2761** Manifold business forms

Mailing Address
600 ALBANY STREET
P O BOX 1167
DAYTON OH 45401-1167

Business Address
600 ALBANY ST
DAYTON OH 45401
5134341000

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended January 3, 1999

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

For the transition period from ________ to ________

Commission file number 1-1097

THE STANDARD REGISTER COMPANY
(Exact name of Registrant as specified in its charter)

OHIO	31-0455440
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
600 ALBANY STREET, DAYTON, OHIO	45401
(Address of principal executive offices)	(Zip Code)

(937) 443-1000
(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Title of each class	Name of each exchange on which registered
Common stock $1.00 par value	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT

None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of all stock held by non-affiliates of the Registrant at March 16, 1999 was approximately $343,524,000, based on a closing sales price of $29.50 per share on March 16, 1999.

At March 16, 1999, the number of shares outstanding of the issuer's classes of common stock are as follows:

Common stock, $1.00 par value	23,753,551 shares
Class A stock, $1.00 par value	4,725,000 shares

Part III incorporates information by reference from the Proxy Statement for Registrant's Annual Meeting of Shareholders to be held on April 21, 1999.

THE STANDARD REGISTER COMPANY

FORM 10-K

PART I

ITEM 1. - BUSINESS

The Standard Register Company began operations in 1912 in Dayton, Ohio. Throughout its history, the Company's primary business has been the design, manufacture, and sale of business forms. To meet the needs of today's business environment, the business form has evolved to incorporate a wide range of sophisticated features and related services that facilitate the recording, storage and communication of business transactions and information.

On December 31, 1997, the Company acquired the stock of Uarco Incorporated (UARCO) for $245 million in cash. The acquisition was in line with the Company's goal to become the leading document management company in the industry. The addition of UARCO enhances the Company's positions in key industry and product growth segments and creates the opportunity for significant economies of scale. With the acquisition, Standard Register believes it is the largest company in the U.S. forms and pressure sensitive label market with an approximate 15 percent share. Moore Corporation is estimated to be a close second in the U.S. market.

Effective January 1, 1998, the Company realigned its products and services into two divisions. The Document Management and Systems Division produces and delivers document management solutions to customers, including workflow consulting, document design, custom printed forms and labels, electronic forms, distribution services, and distributed intelligent printing and mailing systems. The Company's Impressions(R) Division provides print on demand, promotional direct mail, document and plastic card fulfillment services, and commercial printing.

DOCUMENT MANAGEMENT AND SYSTEMS DIVISION

BUSINESS FORMS - Standard Register is known for its high-quality business forms and document management solutions. Traditional forms include custom continuous, secure documents, snap-apart Zipsets(R), as well as laser cut-sheet products. The Company also works with customers to analyze their workflow to improve the design of their forms or to provide electronic documents in order to improve overall business performance.

LABELS - Standard Register produces flexographic, screen and offset printed labels, bar code/automatic ID systems, pressure sensitive labels, compliance labels and variable image products that use the latest laser and thermal transfer technology. With the acquisition of Uarco Incorporated, the Company doubled its label revenues and believes that it is now the largest domestic producer of custom pressure sensitive labels in the United States.

SMARTWORKS - The Company provides customers with a single desktop solution for document automation and management. SMARTworks(TM) organizes all paper documents, manages their ordering, distribution, and usage, and identifies the best candidates for migration to electronic format. The system is integrated with Standard Register's warehousing and distribution/requisition/order entry systems to provide flexible, up-to-date information, with distributed access and centralized control. SMARTworks on-line, real-time access provides customers value through single-source document management, printing, fulfillment, requisition, and warehousing solutions.

DISTRIBUTION SERVICES - Standard Register operates a nationwide network of over 80 distribution centers to provide our customers with the cost advantages of high-volume printing, coupled with just-in-time delivery service to dock or desktop.

INTELLIGENT PRINTING SYSTEMS AND SUPPLIES - The Company's Document System Group enhances the quality, efficiency, and security of printed documents by providing turnkey printing solutions. Document management equipment, application software, service, and supplies come together with traditional business forms and labels to provide customers with a single source supplier for all their printing and processing needs.

IMPRESSIONS DIVISION

PRINT ON DEMAND - Stanfast(R) was established in 1983 based on the concept of providing short-run documents to the Company's forms management accounts. The trend towards outsourcing is driving rapid growth in the print on demand market and Stanfast's nationwide network of distributive print centers allows the Company to provide value and service to our customers. The Company now has 35 Stanfast print centers across the nation specializing in just-in-time production of business documents using traditional offset printing and newer digital print and image technology.

PROMOTIONAL DIRECT MAIL - Communicolor(R) is a leading designer and printer of innovative direct-mail campaigns providing personalization services for many of the nation's largest direct-mail marketers. A pioneer in the direct-mail industry, they offer a full range of state-of-the-art technology to enhance the targeted direct mail message.

On February 11, 1999, the Company announced that it has reached an agreement to sell the Communicolor operation to R.R. Donnelley and Sons Company. The Company believes shareholders will be better served by redirecting its investment to the Company's core products and services. The sale is expected to close by March 31, 1999.

DOCUMENT AND PLASTIC CARD FULFILLMENT SERVICES - The Company's Imaging Services Group(SM) provides customers with complete fulfillment services, including programming, design, printing, imaging, and distribution of these types of documents. In addition, the Imaging Services Group takes advantage of the trend to outsource plastic card services by offering packages for ATMs, prepaid phone cards, membership cards, smart cards, and numerous other card programs.

COMMERCIAL PRINTING - On January 26, 1999, the Company announced the formation of a Commercial Print Group which will include the Company's Secaucus, New Jersey facility and the newly purchased DuPont printing and publishing operation in Boothwyn, Pennsylvania. Recognizing the trend of business customers to use high-quality, commercial printing pieces to augment their traditional products, Standard Register is poised to be a single-source supplier and take advantage of this expanding marketplace.

The Company's products and services are marketed by direct selling and service organizations operating from offices located in principal cities throughout the United States. Documents are printed at 62 geographically disbursed locations in the U.S. Documents are shipped directly to customers or are stored by the Company in warehouses for subsequent on-demand delivery. The management of document inventories to provide just-in-time delivery is a major element of customer service.

The Company purchases raw paper in a wide variety of weights, grades, and colors from various paper mills in the United States and Canada. Carbonless paper, inks, and printing supplies are available nationally and are purchased from leading vendors. Continuing efforts are made to assure adequate supplies to meet present and future sales objectives. The Company fills its needs by ordering from suppliers of long-standing relationship.

The Company had engineering and research expense during 1998 of $9.4 million compared to $9.1 and $7.8 million for 1997 and 1996, respectively. These costs relate to the development of new products and to the improvement of existing products and services. These efforts are entirely company sponsored and involve 98 professional employees.

Expenditures for property, plant and equipment totaled $65.7 million in

1998, compared to $61.3 million and $57.8 million in 1997 and 1996, respectively.

No significant changes occurred in the types of products, manufacture, or method of distribution during the past fiscal year nor does the Company intend to change its method of doing business in the near future. Other items of information which may be pertinent to an understanding of the Company and its business are as follows:

1.) The Company has several patents which provide a competitive advantage or which generate license income. None of these, individually, have a material effect upon the business.

2.) No material portion of the Company's business could be considered seasonal.

3.) The Company believes its working capital is sufficient for its current operations. The current ratio is 3.6 to 1 at January 3, 1999 as compared to 3.5 to 1 at December 28, 1997 and 4.0 to 1 at December 29, 1996. Total debt, including long-term and current maturities, was 31.0% of total capital at year-end 1998, compared to 0.9% and 1.0% for years-end 1997 and 1996, respectively.

4.) The business of the Company taken as a whole is not dependent upon any single customer or a few customers. No single customer accounts for 10% or more of total revenue.

5.) The Company's backlog of custom printing orders at February 28, 1999 was $81.4 million compared to $85.7 million and $53.8 million at February 28, 1998 and February 28, 1997, respectively. The February 28, 1998 backlog included $17.6 million of business acquired in the UARCO acquisition. All orders are expected to be filled within the ensuing fiscal year.

6.) The Company has no significant exposure with regard to the renegotiation or termination of government contracts.

7.) Expenditures made by the Company in order to comply with federal, state, or local provisions of environmental protection have not had a material effect upon the Company's capital expenditures, earnings, or competitive position.

8.) At February 28, 1999, the Company had 8,682 employees compared to 9,743 and 6,488 at February 28, 1998 and February 28, 1997, respectively.

9.) Substantially all of the Company's products and services facilitate the recording, storage and communication of business transactions and information.

10.) No material portion of the Company's sales or net income is derived from sales to foreign customers. The Company does offer technical assistance to foreign business forms manufacturers and receives royalties for these services. Royalties from these foreign associates are approximately .2% of total revenue.

ITEM 2 - PROPERTIES

The Document Management and Systems Division operates major production facilities located in the following cities:

- Cincinnati, Ohio
- Dayton, Ohio
- Fayetteville, Arkansas
- Kirksville, Missouri
- Middlebury, Vermont
- Murfreesboro, Tennessee

- Porterville, California
- Radcliff, Kentucky
- Rocky Mount, Virginia
- Salisbury, Maryland
- Shelbyville, Indiana
- Spring Grove, Illinois
- Tampa, Florida
- Terre Haute, Indiana
- Toccoa, Georgia
- Watseka, Illinois
- York, Pennsylvania

With the exceptions of Tampa, Florida and Toccoa, Georgia, these facilities are owned by the Company.

The Impressions Division operates major production facilities located in the following cities:

- Boothwyn, Pennsylvania
- Charlotte, North Carolina
- Eudora, Kansas
- Newark, Ohio
- Phoenix, Arizona
- Rochester, New York
- Sacramento, California
- Tolland, Connecticut

Of these facilities, Phoenix, Arizona, Rochester, New York, Sacramento, California, and Tolland, Connecticut are leased. In addition, the Impressions Division operates 35 smaller Stanfast Print Centers. In most cases these facilities are located in major metropolitan locations in the U.S. and are leased. The Company currently owns Eudora, Kansas and Newark, Ohio, both of which are slated for sale to R.R. Donnelley and Sons.

The Company's current capacity, augmented by modest capital additions, is expected to be sufficient to meet production requirements for the foreseeable future. Capacity utilization varies significantly by press size and feature capability. Most presses are in the 50 - 95 percent utilization range, averaging an estimated 70 percent overall. The Company believes its production facilities are suitable to meet future production needs.

ITEM 3 - LEGAL PROCEEDINGS

(a) No material claims or litigation are pending against the Company.

(b) The Company has been named as a potentially responsible party by the U.S. Environmental Protection Agency or has received a similar designation by state environmental authorities in several situations. None of these matters have reached the stage where a significant liability has been assessed against the Company. The Company has evaluated each of these matters and believes that none of them individually, nor all of them in the aggregate, would give rise to a material charge to earnings or a material amount of capital expenditures. This assessment is notwithstanding the ability of the Company to recover on existing insurance policies or from other parties which the Company believes would be held as joint and several obligors under any such liabilities. However, since these matters are in various stages of process by the relevant environmental authorities, future developments could alter these conclusions. However, management does not now believe that there is a likelihood of a material adverse effect on the financial condition of the Company in these circumstances.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to shareholders during the fourth quarter of the fiscal year.

EXECUTIVE OFFICERS OF THE REGISTRANT

Name	Age	Office and Experience	Officer Since
Craig J. Brown	49	Senior Vice President, Administration, Treasurer and Chief Financial Officer. Mr. Brown has served in his current position since March 1995, having previously served as Vice President, Finance and Treasurer from April 1987 to March 1995.	1987
Brian W. Calabro	42	Corporate Vice President, Sales. Mr. Calabro has served in his current position since April 1997. He previously served as General Sales Manager, National Accounts since July 1994 and Manager, National Account Sales since November 1990.	1997
H. Franklin Coffman	60	Corporate Vice President, Corporate Marketing and Communications. Mr. Coffman has served in this position since March 1995. Previously he held positions as Assistant Vice President, Customer Service and Communications from January 1995 to March 1995, Director, Field Automation and Customer Support from October 1993 to January 1995, and National Sales Manager from January 1992 to October 1993.	1995

Name	Age	Office and Experience	Officer Since
James H. DeYoung	60	Corporate Vice President, International Operations. Mr. DeYoung has served in this position since March 1995. He previously served as Assistant Vice President, International Operations from January 1994 to March 1995 and Director, World Trade from October 1990 to January 1994.	1995
Peter A. Dorsman	43	Senior Vice President and General Manager, Document Management and Systems Division. Mr. Dorsman has served in this position since January 1998. He served as Senior Vice President and General Manager, Equipment Division from January 1996 to January 1998. Prior to joining Standard Register in January 1996, he held a number of senior marketing,	1996

		strategic planning, and sales management positions with NCR Corporation.	
Paul H. Granzow	71	Chairman, Board of Directors. Mr. Granzow has served as Chairman of the Board of Directors since January 1984. He is co-trustee of the John Q. Sherman Trust and also serves as Senior Vice President and Director of the Weston Paper and Manufacturing Company.	1984
Kathryn A. Lamme	52	Corporate Vice President, Secretary and Deputy General Counsel. Ms. Lamme has served in this position since joining Standard Register in March 1998. Previously she was a partner with the law firm of Turner, Granzow & Hollenkamp.	1998
J. Doug Patterson	44	Corporate Vice President, Chief Information Officer. Prior to joining Standard Register in January 1998, Mr. Patterson served as Vice President, Information Systems for Uarco Incorporated since November 1993.	1998
Peter S. Redding	60	President and Chief Executive Officer. Mr. Redding has served in his current position since December 1994. He previously served as Executive Vice President and Chief Operating Officer from January 1994 to December 1994 and Executive Vice President, Forms Division from January 1992 to January 1994.	1981
John E. Scarpelli	55	Corporate Vice President, Human Resources. Mr. Scarpelli was elected to this position in March 1995. He previously served as Assistant Vice President, Human Resources from January 1993 to March 1995.	1995
Joseph V. Schwan	62	Executive Vice President and Chief Operating Officer. Mr. Schwan has served in this position since April 1997. Previously he served as Senior Vice President and General Manager, Document Management Division from March 1995 to April 1997 and Vice President, Forms Sales and Marketing from August 1991 to March 1995.	1991

</TABLE>

<TABLE>
<CAPTION>

Name	Age	Office and Experience	Officer Since
<S>	<C>	<C>	<C>
Allan F. Scott	51	Corporate Vice President, Operational Excellence. Prior to joining Standard Register in January 1998, Mr. Scott served as Vice President, Operations for Uarco Incorporated since November 1996. Previous to his Uarco experience, Mr. Scott had been with Wilson Sporting Goods as Vice President of Golf	1998

		Operations from 1995 to 1996 and plant manager from 1993 to 1995.	
Harry A. Seifert, Jr.	61	Corporate Vice President and General Manager, Rotary Group. Mr. Seifert has served in this position since March 1998. Previously he had been Vice President, Manufacturing - Document Management Division from January 1997 to March 1998 and Vice President, Forms Manufacturing - Document Management Division from August 1992 to January 1997.	1987
Michael Spaul	51	Corporate Vice President. Mr. Spaul has served as General Manager of Communicolor since January 1990.	1991
Timothy J. Webb	49	Senior Vice President and General Manager, Impressions Division. Prior to joining Standard Register in January 1998, Mr. Webb served Uarco Incorporated for 26 years, most recently as President and CEO since August 1994. He also served as Executive Vice President from April 1994 to August 1994 and Senior Vice President prior to April 1994.	1998

</TABLE>

There are no family relationships among any of the officers. Officers are elected at the annual meeting of the Board of Directors, which is held immediately after the annual meeting of shareholders, for a term of office covering one year.

PART II

ITEM 5 - MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

(a) The common stock of the Registrant is traded on the New York Stock Exchange National Market under the symbol SR. The range of high and low market prices and dividends paid per share for each quarterly period during the two most recent fiscal years are presented below.

<TABLE>
<CAPTION>

1998

Quarter	Cash Dividend	High	Low	Last
1st	$0.21	$36.31	$31.00	$33.87
2nd	$0.21	$40.00	$33.87	$35.69
3rd	$0.21	$36.75	$28.31	$28.69
4th	$0.21	$30.94	$24.50	$30.94

</TABLE>
<TABLE>
<CAPTION>

1997

Quarter	Cash Dividend	High	Low	Last
1st	$0.20	$35.50	$31.75	$33.12
2nd	$0.20	$35.75	$30.50	$30.50
3rd	$0.20	$35.25	$30.50	$32.75

4th	$0.20	$35.50	$32.00	$35.37

</TABLE>

(b) The number of shareholders of record of the Company's common stock as of March 16, 1999 was 3,264, excluding individual holders whose shares are held by nominees. There are also 16 holders of Class A stock.

(c) Dividend policy - The Company expects to continue paying quarterly cash dividends in the future, however, the amounts paid will be dependent upon earnings and the future financial condition of the Company. No events have occurred which would indicate a curtailment of the payment of dividends.

ITEM 6 - SELECTED FINANCIAL DATA

<TABLE>
<CAPTION>

Selected Income Statement Data	1998	1997	1996	1995	1994
	Thousands except for per share data				
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$1,396,869	$965,674	$943,979	$903,240	$767,415
Net income	59,583	66,894	63,157	47,759	43,876
Earnings per share:					
Basic	2.10	2.35	2.20	1.67	1.53
Diluted	2.08	2.33	2.19	1.67	1.53
Selected Balance Sheet Data					
Total assets	$985,077	$647,018	$588,113	$555,503	$525,659
Long-term debt	234,075	4,600	4,600	4,600	11,071
Other					
Cash dividends paid per share	.84	.80	.76	.72	.68

</TABLE>

ITEM 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations: 1998 Compared to 1997

Net Income for 1998 was $59.6 million or $2.10 per basic share, 11% below the $66.9 million or $2.35 per basic share result for 1997. Revenue totaled $1.397 billion, 45% above the $966 million reported for 1997.

The acquisition of Uarco, Inc., which became effective December 31, 1997 - during the first week of the Company's 1998 fiscal year, figured prominently in the results of operations for 1998. In the year prior to the acquisition, Uarco incurred a $39 million pretax operating loss on revenue of $474 million, closing its fiscal year 1997 with approximately $423 million in financial debt. Standard Register acquired the stock of Uarco, Inc. for $245 million in cash and assumed no financial debt. The table below summarizes the valuation after final purchase accounting adjustments:

<TABLE>
<CAPTION>

(Dollars in thousands)

<S> <C>

Net Operating Assets Acquired	$159.6
Prepaid Pension Asset	67.0
Restructuring Liability	(41.7)
Goodwill	60.1
Purchase Price	$245.0

</TABLE>

The Company's business plan for 1998 incorporated the following objectives:

- Achieve a rapid consolidation of the two companies in order to capitalize on the respective companies' personnel and market strengths and to present a single identity to the customer.

- Target profit improvements, including both improved pricing in unprofitable accounts and structural cost reductions.

- Achieve successive quarterly increases in earnings during 1998, exiting the year with a strong financial position.

With regard to consolidations and profit improvements, the Company completed the following actions during 1998:

- The marketing and manufacturing operations of Standard Register and Uarco were immediately reorganized along product lines into two divisions.

    1. Document Management & Systems Division - Provides business forms and forms management, distribution services, pressure sensitive labels, and document management systems.

    2. Impressions Division - Provides promotional direct mail, imaging services, and on-demand printing.

- The sales forces for the two companies were consolidated within the first month, including the appointment of sales managers and the assignment of accounts. The consolidation resulted in the vacating of approximately 120 sales offices, reducing lease costs and improving effectiveness.

- Former Uarco forms plants at Roseburg, Oregon; Deep River, Connecticut, and Fulton, Kentucky were closed, shifting the majority of their productive capacity to other production facilities. Seven smaller print centers were also shut down, again relocating most manufacturing capacity into nearby Stanfast centers.

- The former Uarco headquarters in Barrington, Illinois was closed in the third quarter after most administrative support was transferred to the Company's Dayton, Ohio headquarters.

- Other cost saving actions included the buyout of selected operating leases on long-term assets, bringing subcontracted work in-house, warehouse consolidations, and other purchasing savings.

The cost saving actions outlined above were implemented as the year progressed with most taking effect in the second half of the year. Management believes that it achieved its cost saving objectives. Conversely, management believes it fell short of its objective to improve price levels at acquired unprofitable accounts. This is attributed in part to weak paper prices, which undermined efforts to raise forms prices.

The following table summarizes the results of operations for total 1997 and by quarter for 1998. As the table illustrates, the Company achieved its objective of improving earnings in each successive quarter of 1998. Comments on individual line items follow the table.

<TABLE>

<CAPTION>

(Dollars in thousands, except per share amounts)	1997 Total	1998 1st Qtr.	1998 2nd Qtr.	1998 3rd Qtr.	1998 4th Qtr.	1998 Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue	$965.7	$344.1	$333.7	$340.6	$378.5	$1,396.9
Gross Margin	389.4	121.6	123.5	130.2	147.3	522.6
% Revenue	40.3%	35.3%	37.0%	38.2%	38.9%	37.4%
SG&A Expenses	241.5	88.6	85.7	84.9	95.2	354.4
EBITDA	147.9	33.0	37.8	45.3	52.1	168.2
% Revenue	15.3%	9.6%	11.3%	13.3%	13.8%	12.0%
Depreciation and Amortization	36.6	13.5	13.5	12.8	14.3	54.1
Interest Expense	0.3	3.4	3.6	3.4	3.6	14.0
Pretax Profit	110.9	16.0	20.7	29.2	34.2	100.0
% Revenue	11.5%	4.7%	6.2%	8.6%	9.0%	7.2%
Net Profit	$66.9	$9.7	$12.4	$17.2	$20.3	$59.6
% Revenue	6.9%	2.8%	3.7%	5.1%	5.4%	4.3%
Earnings per basic share	$2.35	$0.34	$0.44	$0.61	$0.71	$2.10

</TABLE>

Revenue increased 45% for the year and was impacted by two significant factors: the acquisition of Uarco and the unfavorable effect of a change in Uarco's revenue recognition policy. The Company originally expected to lose approximately $60 million in 1998 Uarco revenue as a result of sales turnover and other acquisition-related factors. Although it is not possible to determine the extent of acquisition related business loss, management believes its original estimate is reasonable. Overall, on a pro-forma basis, the favorable effects of new business and pricing gains achieved during 1998 exceeded lost business by $20 million, as indicated below.

<TABLE>
<CAPTION>

(Dollars in thousands)	
<S>	<C>
SRC 1997 Revenue	$ 966
Uarco 1997 Revenue	474
Total	1,440
Effect of Uarco Policy Change	(63)
Pro-forma Revenue	1,377
SRC 1998 Revenue	1,397
Net Increase	$ 20

</TABLE>

Revenue for 1998 was adversely affected by a change in Uarco's revenue recognition policy to conform to that of Standard Register. Prior to the acquisition, Uarco had recognized revenue when custom forms were shipped from its plants to its warehouses for storage and subsequent shipment and invoicing to customers, which normally occurs over a 6 to 12 month period. Standard Register's more conservative policy is to recognize revenue when product is shipped and invoiced to the customer. This change had the effect of reducing reported revenue in 1998 by $63 million.

The gross margin improved in each successive quarter of 1998, reflecting declining paper prices, cost reductions from consolidations realized as the year progressed, and increased seasonal volume in the fourth quarter. Overall for the year, however, the gross margin was 2.9 percentage points lower in 1998, primarily as a result of the addition of the generally less profitable Uarco business. At this writing, paper companies have announced an approximate 10% increase in white bond paper prices to be effective March 1, 1999, which should provide improved footing for higher prices at less profitable accounts.

SG&A expenses were 25.4% of revenue in 1998, compared to 25.0% for 1997. Excluding expenses related to acquisition integration and Year 2000 activities of $9.1 million and $6.5 million, respectively, 1998's expense ratio would have been 24.3%. The increase of $17.5 million in annual depreciation and amortization reflects the addition of $98 million in Uarco capital assets, $65.7 million in 1998 capital spending, and $60.1 million in goodwill amortized over 15 years. The $14.0 million in interest expense results primarily from $230 million in debt borrowed under a bank revolving credit agreement to finance the acquisition. The Company entered into a five-year interest rate swap agreement that effectively fixes the interest rate on $200 million of the debt at an all-inclusive annual cost of 6.09%. The balance of the debt floats at the London Interbank Offered Rate, plus a spread.

The table below summarizes the revenue and pretax profit for the two operating divisions of the Company. Operating profits shown below are expressed in millions and incorporate allocations of all corporate expenses except interest, LIFO inventory adjustments, goodwill amortization and taxes.

<TABLE>
<CAPTION>

(Dollars in millions)	Revenue 1998	Revenue 1997	Revenue %Chg.	Operating Profit 1998	Operating Profit 1997	Operating Profit %Chg.
<S>	<C>	<C>	<C>	<C>	<C>	<C>
DM&S Division	$1,010.3	$667.6	51.3%	$98.0	$87.0	12.6%
% Revenue				9.7%	13.0%	
Impressions(R)Division	$ 385.3	$294.7	30.7%	$15.9	$23.9	(33.5%)
% Revenue				4.1%	8.1%	

</TABLE>

DM&S' 51% revenue increase included increases of 102% in pressure sensitive products, 44% in business forms and related management services, and 51% in document systems and support services. These increases were primarily the result of the Uarco acquisition. Operating profit increased compared to 1997, but represented a lesser percentage of revenue as a result of the generally lower profitability of the acquired Uarco business. Margins improved as the year progressed in response to the cost reductions and other actions taken, as described earlier.

The 31% increase in Impressions Division revenue was led by a 61% increase in Stanfast print center shipments and a 25% growth in Imaging Services billings; Communicolor revenue declined 1%. The acquisition had little effect on Communicolor or Imaging Services revenues or operating profits. The impact to Stanfast was significant, however, both in terms of revenue and operating profit. Eight Stanfast print centers were gained in the acquisition. As a result of geographic overlap and a relatively high cost structure, six of the eight former Uarco print centers were closed, unprofitable business was jettisoned and, as a result, second half operating margins improved. The Company plans to add six new Stanfast print centers in 1999, continuing to implement its plan to put centers in 60 major metropolitan markets.

Results of Operations: 1997 Compared to 1996

Total Revenue for 1997 was $965.7 million, up 2.3% from $944 million in fiscal 1996. Document Management and Systems Division's revenue declined 1.9% (restating the results in each of the years to correspond to the new divisional organizational structure put in place early in 1998), primarily reflecting a drop in traditional business forms. Revenue from equipment, supplies, and maintenance declined 3.3% as a result of the continuing transition from traditional forms handling equipment to newer generation intelligent printing systems; the drop in maintenance was due to the elimination of selected unprofitable business. Pressure sensitive labels increased 2.1%.

The Impressions Division (restated) reported a 13.0% revenue increase, driven by increases in Imaging Services and Stanfast Groups of 21.0% and 26.2%, respectively. The division's promotional direct mail group, Communicolor, reported a 4.2% revenue decline that was attributed to customers mailing fewer pieces and to increasing competitive pressures from commercial printers.

The gross margin improved from 39.1% of revenue in 1996 to 40.3% in 1997 and was the major contributing factor to the Company's improved profitability. This improvement was primarily to modestly improved pricing, lower average paper prices, and other manufacturing cost improvements.

Selling, administrative, and engineering costs increased 7.0% over 1996, reflecting increased information systems expenditures and increases in field sales support personnel. The Company also undertook its program to make its systems Year 2000 compliant; expenditures in the year were $.8 million. Depreciation rose 5.3% in response to higher capital spending during the last two years. The income tax rate dropped from 41.4% to 39.7%; 1996's higher rate included capital losses on the Company's Russian joint venture write-off for which a tax deduction could not be recorded as a result of the absence of offsetting capital gains.

Net Income for 1997 was $66.9 million, 5.9% above the $63.2 million reported for the prior year. Basic Earnings Per Share were $2.35 compared to 1996's $2.20 result. On a divisional basis, DM&S Division pretax operating profits rose 10.3% while margins for the Impressions Division declined 13.0%. The decline in profitability for the Impressions Division is attributed to continued weakness in Communicolor sales, and costs associated with the rapid growth in the Imaging Services and Stanfast groups.

Year 2000

The Company's program to ensure that its systems will be Year 2000 compliant was undertaken in 1997. Through year-end 1998, $7.3 million has been expended and an additional $6.0 million in spending is budgeted in order to bring the Company's systems into compliance no later than September 1999.

With regard to its critical internal information systems, the Company has undertaken a rigorous three-phase process to identify potential date-related problems in all applications, make necessary modifications, and test for compliance. At this writing, this process has been completed for the Company's order entry and manufacturing systems. Modifications are currently underway for invoicing, accounts receivable, and financial systems; testing of these systems is scheduled for completion by September 1999.

With regard to potential Year 2000 problems in equipment products sold to customers, the Company employed the same three-phase approach and has brought its current product line offering into Year 2000 compliance. Equipment sales in 1998 represented approximately 3% of total Company revenue. The Company has elected not to evaluate, modify, or test selected discontinued products. In certain cases, owners of discontinued products may purchase new equipment that is Year 2000 compliant; for certain other products, the Company will make available an upgrade to a Year 2000 compliant version. The Company is using its best efforts to notify equipment customers of their options.

The Company has initiated inquiries to its major vendors in order to judge the likelihood and probable impact of interruptions in raw materials and other critical supplies. Responses are continuing to come in and the Company has not completed its analysis. The Company has a very broad customer base and does not plan to test its customers' Year 2000 readiness.

Given the focus and scope of the Company's program, management believes its most likely Year 2000 problem will originate from a non-mission critical system and will represent an inconvenience rather than a significant business interruption. However, the Company intends to put contingency plans in place prior to year-end that would take effect should there be such a failure in a critical system.

Environmental Matters

The Company has been named as one of a number of potentially responsible parties at several waste disposal sites, none of which has ever been Company owned. The Company has accrued for investigation and remediation at sites where costs are probable and estimable. At this writing, there are no identified environmental liabilities that are expected to have a material adverse effect on the operating results or financial condition of the Company.

Liquidity and Capital Resources

The Company's capital structure changed in 1998 primarily as a result of the financing and integration of the Uarco acquisition:

<TABLE>
<CAPTION>

(Dollars in thousands)	1998	1997	Change
Cash and Short Term Investments	$ 16.3	$83.6	($67.3)
Total Debt	234.6	4.6	230.0
Net Debt	$218.3	($79.0)	$297.3
Shareholders' Equity	$521.0	$487.9	$ 33.1

</TABLE>

The $230 million increase in debt represents borrowings under a $300 million five-year revolving credit agreement used to provide financing for the Uarco acquisition. The balance of the $245.0 million purchase price, $15.0 million, came from corporate cash. Other acquisition-related expenditures in 1998 included $26.8 million charged against the opening restructuring liability, $18.0 million to buyout high cost Uarco operating leases on long-term assets, $5.5 million (net of tax) for integration activities charged as expense, and $8.3 million (net of tax) in interest expense. At year-end 1998, future restructuring expenditures related to the Uarco acquisition are estimated at $14.8 million.

Excluding the $73.6 million described above in 1998 acquisition-related expenditures, the balance of cash and short-term investments increased $6.4 million during the year. Expenditures for capital additions and dividends were at record levels - $65.7 million and $23.9 million, respectively. The Company expects 1999 capital spending to be in the $65 million to $75 million range.

At year-end 1998, current assets were 3.6 times the level of current liabilities and the ratio of Net Debt to Total Capital was 29.5%, demonstrating that the Company's financial condition continues to be very strong. In management's judgment, the combination of internally generated cash flow and available credit will be sufficient to finance the Company's near-term operating needs.

Forward-Looking Statements

This report includes forward-looking statements covered by the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. These statements involve important assumptions, risks, uncertainties and other factors that could cause the Company's actual results for fiscal year 1999 and beyond to differ materially from those expressed in such forward-looking statements. Factors that could cause materially different results include product demand and market acceptance, the frequency and magnitude of raw material price changes, the effect of economic conditions, competitive activities, and other risks described in the Company's filings with The Securities and Exchange Commission.

ITEM 7A - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rates

The Company borrowed $230 million against its revolving credit agreement to finance the acquisition of Uarco Incorporated. The credit line bears interest at a floating rate of the London Interbank Offered Rate (LIBOR) plus a spread dependent upon the net debt to total capital ratio. Through an interest rate swap agreement, the Company has effectively converted $200 million of its floating rate debt to a fixed rate of 6.09%. The Company has an additional $4.6 million of debt with a fixed interest rate of 6.125%.

Based on the Company's fixed interest rate debt existing at January 3, 1999, a hypothetical 100 basis point decrease in prevailing interest rates would result in the Company's annualized interest expense being $2.046 million greater than would exist if all debt was subject to floating interest rates.

Commodity Prices

Paper is the principal raw material in the production of business forms. Because the Company has historically been successful in adjusting its sales prices in response to changes in paper costs, management does not believe a 10% change in paper costs would have a material effect on the Company's financial statements.

ITEM 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

<TABLE>
<CAPTION>

</TABLE>

All other schedules have been omitted because the information is not applicable or is not material or because the information required is included in the financial statements or notes thereto.

ITEM 9 - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III

Items 10, 11, 12 and 13 are incorporated by reference from the Company's Proxy Statement for the 1999 Annual Meeting of shareholders.

PART IV

ITEM 14 - EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) 1 and 2. FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE

The financial statements and financial statement schedule are listed in the accompanying Index to Financial Statements on page 16 and are incorporated herein by reference.

3. EXHIBITS

The exhibits as listed on the accompanying index to exhibits on page 19 are filed as part of this Form 10-K.

(b) REPORTS ON FORM 8-K

The Company filed no current reports on Form 8-K during the quarter ended January 3, 1999.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, The Standard Register Company has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, on March 26, 1999.

THE STANDARD REGISTER COMPANY

By: /S/ P. S. Redding

P. S. Redding, President,
Chief Executive Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of The Standard Register Company and in the capacities indicated on March 26, 1999:
<TABLE>
<CAPTION>

Signatures	Title
<S>	<C>
/S/ P. H. Granzow ------------------------ P. H. Granzow	Chairman of the Board and Director
/S/ C. J. Brown ------------------------ C. J. Brown	Senior Vice-President - Administration, Treasurer, Chief Financial Officer and Chief Accounting Officer

</TABLE>

P. H. Granzow, pursuant to power of attorneys which are being filed with this Annual Report on Form 10-K, has signed below on March 26, 1999 as attorney-in-fact for the following directors of the Registrant:

R. W. Begley, Jr.	D. L. Rediker
F. D. Clarke, III	A. Scavullo
G. G. Keeping	C. F. Sherman
P. S. Redding	J. Q. Sherman, II

/S/ P. H. Granzow

P. H. Granzow

INDEX TO EXHIBITS

3. Amended Articles of Incorporation of the Company and Code of Regulations. Incorporated by reference to Exhibit 4 to the Company's Registration Statement No. 33-8687.

3.1 Certificate of Amendment by the Shareholders to the Amended Articles of Incorporation of The Standard Register Company. Incorporated by reference to Form 10-K for year ended December 31, 1995.

10. Material contracts

10.3 The Standard Register Company Non-Qualified Retirement Plan. Incorporated by reference to Form 10-K for year ended January 2, 1994.

10.4 The Standard Register Company Officers' Supplemental Non-Qualified Retirement Plan. Incorporated by reference to Form 10-K for year ended January 2, 1994.

10.6 The Standard Register Company Incentive Stock Option Plan. Incorporated by reference to the Company's Proxy Statement for the Annual Meeting of Shareholders held on April 17, 1996.

10.8 The Standard Register Company Deferred Compensation Plan. Incorporated by reference to Registration Statement No. 333-43055.

10.9 The Standard Register Company Management Incentive Plan. Incorporated by reference to the Company's Proxy Statement for the Annual Meeting of Shareholders held April 16, 1997.

10.10 Stock Purchase Agreement dated November 26, 1997. Incorporated by reference to Form 8-K filed January 15, 1998.

10.11 The Standard Register Dividend Reinvestment and Common Stock Purchase Plan. Incorporated by reference to Registration Statement No. 333-05321.

13. Financial Statements and Financial Statement Schedule.

23. Consent of Independent Auditors.

24. Power of Attorney of R. W. Begley, Jr., F. D. Clark III, G.G. Keeping, P. S. Redding, D. L. Rediker, A. Scavullo, C. F. Sherman, J. Q. Sherman II.

27. Financial Data Schedule (EDGAR version).

EX-13

INDEPENDENT AUDITORS' REPORT

Board of Directors and Shareholders
The Standard Register Company
Dayton, Ohio

We have audited the accompanying balance sheet of The Standard Register Company as of January 3, 1999 and December 28, 1997, and the related statements of income, shareholders' equity, comprehensive income, and cash flows for each of the three years in the period ended January 3, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based upon our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Standard Register Company as of January 3, 1999 and December 28, 1997, and the results of its operations and its cash flows for each of the three years in the period ended January 3, 1999, in conformity with generally accepted accounting principles.

/S/ BATTELLE & BATTELLE LLP

BATTELLE & BATTELLE LLP
Certified Public Accountants

Dayton, Ohio
February 1, 1999

THE STANDARD

BALANCE
(DOLLARS IN

<TABLE>
<CAPTION>

A S S E T S	January 3 1999	December 28 1997
<S>	<C>	<C>
CURRENT ASSETS		
Cash and cash equivalents	$ 9,792	$ 67,556
Short-term investments	6,530	16,055
Accounts receivable, less allowance for doubtful accounts of $14,158 and $2,864, respectively	288,103	191,031
Inventories	138,376	85,546
Deferred income taxes	19,065	6,168
Prepaid pension expense	--	5,371
Prepaid other expense	11,929	7,091
Total current assets	473,795	378,818
PLANT AND EQUIPMENT		
Buildings and improvements	93,552	67,874
Machinery and equipment	306,658	237,320
Office equipment	98,209	67,324
Total	498,419	372,518
Less accumulated depreciation	182,218	155,634
Depreciated cost	316,201	216,884
Plant and equipment under construction	44,732	39,070

Land	7,228	4,081
Total plant and equipment	368,161	260,035
OTHER ASSETS		
Goodwill, less accumulated amortization of $4,491 and $321, respectively	57,825	1,868
Prepaid pension expense	73,538	--
Other	11,758	6,297
Total other assets	143,121	8,165
Total assets	$985,077	$647,018

</TABLE>

REGISTER COMPANY

SHEET
THOUSANDS)
<TABLE>
<CAPTION>

LIABILITIES AND SHAREHOLDERS' EQUITY	January 3 1999	December 28 1997
<S>	<C>	<C>
CURRENT LIABILITIES		
Current portion of long-term debt	$ 525	$ --
Accounts payable	29,967	25,296
Dividends payable	6,251	5,968
Accrued compensation	44,406	34,817
Income taxes payable	1,335	1,155
Customer deposits	3,138	21,003
Deferred service contract income	8,404	7,222
Accrued restructuring	14,843	--
Other current liabilities	21,487	11,558
Total current liabilities	130,356	107,019
LONG-TERM LIABILITIES		
Long-term debt	234,075	4,600
Retiree health care obligation	55,057	28,779
Deferred compensation	3,795	--
Deferred income taxes	40,829	18,685
Total long-term liabilities	333,756	52,064
SHAREHOLDERS' EQUITY		
Common stock, $1.00 par value: Authorized 50,500,000 shares Issued 1998 - 24,391,072; 1997 - 24,308,437	24,391	24,308
Class A stock, $1.00 par value: Authorized 4,725,000 shares Issued - 4,725,000	4,725	4,725
Capital in excess of par value	33,957	31,599
Accumulated other comprehensive income	(1,161)	
Retained earnings	479,679	444,259
Treasury stock at cost: 1998 - 701,152 shares; 1997 - 615,073 shares	(19,614)	(16,956)
Common stock held in grantor trust, 26,284 shares at cost	(1,012)	--
Total shareholders' equity	520,965	487,935
Total liabilities and shareholders' equity	$ 985,077	$ 647,018

</TABLE>

See accompanying notes.

THE STANDARD REGISTER COMPANY

STATEMENT OF INCOME
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

<TABLE>
<CAPTION>

	53 Weeks Ended January 3 1999	52 Weeks Ended December 28 1997	52 Weeks Ended December 29 1996
<S>	<C>	<C>	<C>
REVENUE	$1,396,869	$965,674	$943,979
COST AND EXPENSE			
Cost of products sold	874,302	576,292	575,316
Engineering and research	9,399	9,100	7,842
Selling and administrative	345,007	232,418	217,671
Depreciation and amortization	54,112	36,646	34,814
Interest	14,044	288	532
Total cost and expense	1,296,864	854,744	836,175
INCOME BEFORE INCOME TAXES	100,005	110,930	107,804
INCOMES TAXES			
Current	37,928	40,098	42,009
Deferred	2,494	3,938	2,638
Total income taxes	40,422	44,036	44,647
NET INCOME	$ 59,583	$ 66,894	$ 63,157
EARNINGS PER SHARE			
Basic	$2.10	$2.35	$2.20
Diluted	$2.08	$2.33	$2.19

</TABLE>

See accompanying notes.

THE STANDARD REGISTER COMPANY

STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(DOLLARS IN THOUSANDS)

<TABLE>
<CAPTION>

	53 Weeks Ended January 3 1999	52 Weeks Ended December 28 1997	52 Weeks Ended December 29 1996
<S>	<C>	<C>	<C>

COMMON STOCK			
Beginning balance	$ 24,308	$ 24,204	$ 24,142
Add shares issued under:			
Management Incentive Plan	6	50	55
Dividend Reinvestment Plan	23	22	7
Stock Option Plan	54	32	-
Ending balance	24,391	24,308	24,204
CLASS A STOCK	4,725	4,725	4,725
CAPITAL IN EXCESS OF PAR VALUE			
Beginning balance	31,599	28,705	27,450
Add excess of market over par value of shares issued under:			
Management Incentive Plan	195	1,562	1,062
Dividend Reinvestment Plan	739	709	193
Stock Option Plan	1,141	623	-
Establish grantor trust with treasury shares	283	-	-
Ending balance	33,957	31,599	28,705
OTHER COMPREHENSIVE INCOME	(1,161)	-	-
RETAINED EARNINGS			
Beginning balance	444,259	400,387	359,334
Add net income	59,583	66,894	63,157
Less dividends declared (1998 - $.85 per share; 1997 - $.81 per share; 1996 - $.77 per share)	(24,163)	(23,022)	(22,104)
Ending balance	479,679	444,259	400,387
TREASURY STOCK AT COST			
Beginning balance	(16,956)	(4,775)	(4,434)
Cost of common shares purchased	(3,387)	(12,181)	(341)
Establish grantor trust with treasury shares	729	-	-
Ending balance	(19,614)	(16,956)	(4,775)
COMMON STOCK HELD IN GRANTOR TRUST			
Beginning balance	-	-	-
Establish grantor trust with treasury shares	(1,012)	-	-
Ending balance	(1,012)	-	-
Total shareholders' equity	$ 520,965	$ 487,935	$ 453,246
COMPREHENSIVE INCOME			
Net income	$ 59,583	$ 66,894	$ 63,157
Minimum pension liability, net of $782 deferred income tax benefit	(1,161)	-	-
Total comprehensive income	$ 58,422	$ 66,894	$ 63,157

</TABLE>

See accompanying notes.

THE STANDARD REGISTER COMPANY

STATEMENT OF CASH FLOWS
(DOLLARS IN THOUSANDS)

<TABLE>
<CAPTION>

	53 Weeks Ended January 3 1999	52 Weeks Ended December 28 1997	52 Weeks Ended December 29 1996
<S>	<C>	<C>	<C>

CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 59,583	$ 66,894	$ 63,157
Add (deduct) items not affecting cash:			
Depreciation and amortization	54,112	36,646	34,814
Loss on sale of assets	19	346	1,508
Net securities gains	(7)	(294)	-
Loss on other investments	-	1,852	4,383
Provision for deferred income taxes	2,494	3,938	2,638
Increase (decrease) in cash arising from changes in assets and liabilities:			
Trading securities	8,771	(15,000)	
Accounts receivable	22,523	(12,320)	2,998
Inventories	(38,194)	606	11,665
Other assets	(2,243)	(6,309)	(2,494)
Accounts payable and accrued expenses	(50,827)	5,653	220
Income taxes payable	261	(1,469)	90
Customer deposits	(17,865)	16,818	(4,149)
Deferred income	1,182	(52)	(1,181)
Other liabilities	3,146	1,136	1,542
Net adjustments	(16,628)	31,551	52,034
Net cash provided by operating activities	42,955	98,445	115,191
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to plant and equipment	(65,733)	(61,287)	(57,783)
Proceeds from sale of plant and equipment	5,657	432	1,692
Proceeds from sale of held-to-maturity securities	760	455	115
Acquisition	(245,000)	-	-
Additions to other investments	-	(3,028)	(1,008)
Other investing activities	-	(36)	-
Net cash used in investing activities	(304,316)	(63,464)	(56,984)
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal payments on long-term debt	(1,294)	-	(6,471)
Proceeds from issuance of long-term debt	230,000	-	-
Proceeds from issuance of common stock	2,158	2,998	1,317
Purchase of treasury stock	(3,387)	(12,181)	(341)
Dividends paid	(23,880)	(22,792)	(21,808)
Net cash provided by (used in) financing activities	203,597	(31,975)	(27,303)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(57,764)	3,006	30,904
Cash and cash equivalents at beginning of year	67,556	64,550	33,646
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 9,792	$ 67,556	$ 64,550

</TABLE>

See accompanying notes.

THE STANDARD REGISTER COMPANY

STATEMENT OF CASH FLOWS (Continued)
(DOLLARS IN THOUSANDS)

<TABLE>
<CAPTION>

<S>	53 Weeks Ended January 3 1999 <C>	52 Weeks Ended December 28 1997 <C>	52 Weeks Ended December 29 1996 <C>
SUPPLEMENTAL CASH FLOW DISCLOSURES			
Cash paid during the year for:			
Interest	$ 14,453	$ 141	$ 565
Income taxes	37,667	41,317	42,115

Non-cash investing activities:			
Note receivable from sale of assets	$ -	$ -	$ 650
Issuance of treasury stock to grantor trust	1,012	-	-
Minimum pension liability	1,943	-	-
Details of acquisiton:			
Working capital	$ 56,841	$ -	$ -
Property, plant and equipment	98,011	-	-
Other assets	74,412	--	-
Other liabilities	(44,391)	--	-
Excess of purchase price over fair value of net assets acquired	60,127	-	-
Cash paid for acquisition	$ 245,000	$ -	$ -

</TABLE>

See accompanying notes.

THE STANDARD REGISTER COMPANY

NOTES TO FINANCIAL STATEMENTS
(Dollars in thousands, except per share data)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standard Register Company is a leading domestic supplier of business forms, pressure sensitive labels, business equipment, direct mail marketing materials, and document management services. The Company markets its products and services through a direct sales organization located in offices throughout the United States.

The accounting policies that affect the more significant elements of the financial statements are summarized below.

USE OF ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

RECLASSIFICATIONS - Certain prior year balances have been reclassified to conform with the current year presentation.

FISCAL YEAR - The Company's fiscal year ends on the Sunday nearest to December 31. Fiscal year ending January 3, 1999 includes 53 weeks, while fiscal years ending December 28, 1997 and December 29, 1996 include 52 weeks.

CASH EQUIVALENTS - The Company classifies as cash equivalents all highly liquid investments with original maturities of three months or less. These are primarily composed of repurchase agreements, municipal notes and bond funds, which are convertible to a known amount of cash and carry an insignificant risk of change in value. Cash equivalents are valued at cost plus accrued interest, which approximates market value.

SHORT-TERM INVESTMENTS - Securities are classified as trading when held for short-term periods in anticipation of market gains and are reported at fair market value, with unrealized gains and losses included in income. Debt securities for which the Company has the intent and ability to hold to maturity are classified as held-to-maturity and are stated at amortized cost.

INVENTORIES - Inventories are valued at the lower of cost or market. Substantially all inventory costs are determined by the last-in, first-out (LIFO) method. Finished products include printed forms stored for future shipment and invoicing to customers.

PLANT AND EQUIPMENT - These assets are stated at cost less accumulated depreciation. Costs of normal maintenance and repairs are charged to expense when incurred. When the assets are retired or otherwise disposed of, their cost and related depreciation are removed from the respective accounts and the resulting gain or loss is included in current income. Impairment of asset value is recognized whenever events or circumstances indicate that carrying amounts are not recoverable.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEPRECIATION - For financial statement purposes, depreciation is computed by the straight-line method over the expected useful lives of the depreciable assets. Depreciation expense was $49,896 in 1998, $36,431 in 1997, and $34,601 in 1996. Estimated asset lives are:

Classification	Years
Buildings and improvements	10-40
Machinery and equipment	5-15
Office equipment	5-15

GOODWILL - Goodwill represents the excess of purchase price and related costs over the fair value of the net assets of businesses acquired in purchase transactions. Goodwill is being amortized on a straight-line basis over 15 years. Periodically, the Company reviews the recoverability of goodwill. In management's opinion, no material impairment exists at January 3, 1999. Amortized goodwill expense was $4,170 in 1998, $162 in 1997, and $159 in 1996.

INCOME TAXES - The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the financial and tax bases, using enacted rates.

REVENUE RECOGNITION - The Company generally recognizes product and related services revenue at the time of shipment to the customer. Under contractual arrangements with some customers, custom forms which are stored for future delivery are recognized as revenue when manufacturing is complete and the order is invoiced. Revenue from equipment service contracts is recognized ratably over the term of the contract.

EARNINGS PER SHARE - Basic earnings per share is the per share allocation of net income available to shareholders based on the weighted average number of shares outstanding during the period. Diluted earnings per share represents the per share allocation of net income based on the weighted average number of shares outstanding plus all common shares that potentially could have been issued under the Company's stock option program.

ACCOUNTING FOR STOCK OPTIONS - The Company follows Accounting Principles Board (APB) Opinion No. 25 "Accounting for Stock Issued to Employees" in accounting for its employee stock options. Under APB 25, no compensation expense is recognized in the financial statements because the exercise price of employee stock options equals the market price of the underlying stock on the date of the grant. The Company has adopted the disclosure-only provisions of Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation."

NEW ACCOUNTING PRONOUNCEMENTS - During 1998, the Company adopted Statements of Financial Accounting Standards No. 130, "Reporting Comprehensive Income"; No. 131, "Disclosures about Segments of an Enterprise and Related Information"; and No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". The adoption of these standards has no material effect on the Company's financial statements.

NOTE 2 - ACQUISITION

On December 31, 1997, the Company acquired all outstanding shares of Uarco Incorporated (UARCO) for $245,000, exclusive of acquisition costs. $230,000 of the purchase price was financed under a new five-year bank revolving credit agreement. UARCO produced and marketed business forms, pressure sensitive labels, business equipment, supplies, and workflow systems to the U.S. market. Uarco Incorporated operated as a wholly owned subsidiary for three months until it was merged into The Standard Register Company on March 31, 1998.

The acquisition has been accounted for under the purchase method and, accordingly, operating results of the UARCO business subsequent to the date of acquisition are included in the Company's financial statements. The purchase price has been allocated to the assets acquired and liabilities assumed based upon the respective fair values on the date of acquisition.

Certain liabilities were also recognized in connection with the UARCO purchase and included in the acquisition cost allocation. These liabilities include costs relating to the closings of former UARCO production and sales facilities, and termination and relocation of former UARCO employees. Such recognized liabilities totaled $41,659, of which $14,843 remains unpaid and is recorded as accrued restructuring liability at January 3, 1999.

The excess of purchase price, acquisition costs and recognized liabilities over the fair values of the net assets acquired was $60,127 and has been recorded as goodwill, which is being amortized on a straight-line basis over 15 years.

The following unaudited pro forma information has been prepared assuming UARCO had been acquired at the beginning of 1997 and 1996. The pro forma information does not necessarily reflect the results of operations that actually would have been achieved had the acquisition been consummated as of that time.
<TABLE>
<CAPTION>

<S>	1997 <C>	1996 <C>
Revenue	$ 1,435,862	$ 1,419,892
Net income	28,406	41,044
Earnings per share:		
Basic	$ 1.00	$ 1.43
Diluted	$ .99	$ 1.42

</TABLE>

NOTE 3 - INVENTORIES

Inventories are valued at the lower of cost or market determined by the last-in, first-out (LIFO) method. If the first-in, first-out (FIFO) method had been used, these inventories would have been $31,530 higher at January 3, 1999 and $35,601 higher at December 28, 1997.

Inventories at the respective year-ends are as follows:
<TABLE>
<CAPTION>

<S>	January 3 1999 <C>	December 28 1997 <C>
Finished products	$ 104,982	$58,675
Jobs in process	18,075	16,500

Materials and supplies	15,319	10,371
Total	$ 138,376	$85,546

</TABLE>

NOTE 4 - LONG-TERM DEBT

Long-term debt consists of the following:

	January 3 1999	December 28 1997
Revolving credit facility	$ 230,000	$ -
Industrial development revenue bonds	4,600	4,600
Total	234,600	4,600
Less current portion	525	-
Long-term portion	$ 234,075	$ 4,600

In December 1997, the Company entered into a five-year unsecured revolving credit agreement with nine banks. The credit line provides for borrowings up to $300,000. On December 31, 1997, $230,000 was borrowed against the line for financing the acquisition of Uarco Incorporated. The credit line bears interest at a floating rate of the London Interbank Offered Rate (LIBOR) plus a spread dependent upon the net debt to total capital ratio. In January 1998, the Company entered into an interest rate swap agreement that effectively converts $200,000 of its floating rate debt to a fixed rate of 6.09%. The credit line is scheduled to expire in December 2002.

Long-term debt also includes industrial development revenue bonds issued by Rutherford County, Tennessee. Interest is payable semi-annually at 6.125%. Required annual bond principal payments subsequent to January 3, 1999 are as follows: 1999 - $525; 2000 - $555; 2001 - $590; 2002 - $630; and 2003 - $2,300.

NOTE 5 - INCOME TAXES

The provision for income taxes consists of the following:

	1998	1997	1996
Current			
Federal	$ 30,800	$ 32,933	$ 33,285
State and local	7,128	7,165	8,724
	37,928	40,098	42,009
Deferred	2,494	3,938	2,638
Total	$ 40,422	$ 44,036	$ 44,647

The significant components of the deferred tax expense (benefit) are as follows:

	1998	1997	1996
Depreciation	$ 1,848	$ 2,357	$ 853
Pension	1,961	2,039	1,712

Inventories	(230)	110	267
Compensation and benefits	(2,107)	(431)	(33)
Allowance for doubtful accounts	1,192	312	111
Retiree health care benefits	(132)	(457)	(620)
Other	(38)	8	348
Total	$ 2,494	$ 3,938	$ 2,638

</TABLE>

The components of the net deferred tax asset and liability as of January 3, 1999 and December 28, 1997 are as follows:

<TABLE>
<CAPTION>

<S>	January 3 1999 <C>	December 28 1997 <C>
Deferred tax asset:		
Allowance for doubtful accounts	$ 5,701	$ 1,153
Inventories	3,546	2,524
Compensation and benefits	9,276	5,127
Pension	-	(2,739)
Other	542	103
	$ 19,065	$ 6,168
Deferred tax liability:		
Depreciation	$ 32,120	$ 30,272
Pension	30,879	-
Retiree health care benefits	(22,170)	(11,587)
	$ 40,829	$ 18,685

</TABLE>

The reconciliation of the statutory federal income tax rate and the effective tax rate follows:

<TABLE>
<CAPTION>

<S>	1998 <C>	1997 <C>	1996 <C>
Statutory federal income tax rate	35.0%	35.0%	35.0%
State and local income taxes	5.3	5.3	5.3
Other	.1	(.6)	1.1
Effective tax rate	40.4%	39.7%	41.4%

</TABLE>

NOTE 6 - CAPITAL STRUCTURE

The Company has two classes of capital stock issued and outstanding, Common and Class A. These are equal in all respects except voting rights and restrictions on ownership of Class A stock. Each of the 23,663,636 shares of Common outstanding has one vote, while each of the 4,725,000 shares of Class A is entitled to five votes. Class A stock is convertible into Common stock on a share-for-share basis at which time ownership restrictions are eliminated.

NOTE 7 - COMMON STOCK HELD IN GRANTOR TRUST

During 1998, the Company established a grantor trust ("Trust") with cash and 26,284 shares of treasury stock. The Trust will fund the Company's obligations under a deferred compensation plan for a select group of management. The benefits payable from the Trust are included in the $3,795 "Deferred compensation" liability shown on the Company's balance sheet. Obligations under the deferred compensation plan are intended to be settled only in cash. Therefore, the shares of the Company's common stock held by the Trust are not considered to be potentially dilutive.

To record this transaction, the Company reduced "Treasury stock" by the average cost of these shares to the Company, or $729, and the fair market value of the shares was recorded as "Common stock held in grantor trust". "Capital in excess of par value" was increased for the difference of $283 between the cost of the shares and their fair value. Increases or decreases in the deferred compensation liability that result from changes in the value of the Company's common stock held by the Trust, are recognized in current income.

NOTE 8 - EARNINGS PER SHARE DATA

The following per share data show the amounts used in computing earnings per share (EPS) and the dilutive effects of stock options:

<TABLE>
<CAPTION>

	53 Weeks Ended January 3, 1999		
	Net Income	Shares (000's)	Income Per Share
<S>	<C>	<C>	<C>
Basic	$59,583	28,426	$2.10
Dilutive effect of stock options	--	175	
Diluted	$59,583	28,601	$2.08

</TABLE>

<TABLE>
<CAPTION>

	52 Weeks Ended December 28, 1997		
	Net Income	Shares (000's)	Income Per Share
<S>	<C>	<C>	<C>
Basic	$66,894	28,498	$2.35
Dilutive effect of stock options	--	203	
Diluted	$66,894	28,701	$2.33

</TABLE>
<TABLE>
<CAPTION>

	52 Weeks Ended December 29, 1996		
	Net Income	Shares (000's)	Income Per Share
<S>	<C>	<C>	<C>
Basic	$63,157	28,687	$2.20
Dilutive effect of stock options	--	118	
Diluted	$63,157	28,805	$2.19

</TABLE>

The effects of stock options on diluted EPS are reflected through the application of the treasury stock method. Under this method, proceeds received by the Company, based on assumed exercise, are hypothetically used to repurchase the Company's shares at the average market price for the period.

NOTE 9 - STOCK OPTION PLAN

In 1995, the Company adopted a stock option plan authorizing the issuance of options for up to 2,000,000 shares of common stock to officers and key employees. Under the terms of the plan, options may be either incentive or non-qualified. The options have a term of ten years. The exercise price per share, determined by a committee of the Board of Directors, may not be less than the fair market value on the grant date. The options are exercisable over periods determined when granted.

The Company applies APB Opinion No. 25 "Accounting for Stock Issued to Employees" and related interpretations in accounting for its stock option plan. Accordingly, no compensation cost has been recognized in the Company's financial statements. Had compensation cost for the Company's stock option plan been determined based on the fair value of such awards at the grant dates, consistent with the methods of Financial Accounting Standards Board Statement No. 123 "Accounting for Stock-Based Compensation", the Company's total and per share net income would have been reduced as follows:

		1998	1997	1996
Net income	As reported	$59,583	$66,894	$63,157
	Pro forma	57,364	65,101	62,512
Basic earnings per share	As reported	$ 2.10	$ 2.35	$ 2.20
	Pro forma	2.02	2.28	2.18
Diluted earnings per share	As reported	$ 2.08	$ 2.33	$ 2.19
	Pro forma	2.00	2.27	2.17

The weighted average fair values of options granted in fiscal years 1998, 1997, and 1996 were estimated at $9.75, $10.58, and $10.37 per share, respectively, using the Black-Scholes option-pricing model based on the following assumptions:

	1998	1997	1996
Risk-free interest rate	4.7% and 5.4%	5.7%	6.2%
Dividend yield	2.0%	2.0%	2.0%
Expected life	5 years	5 years	5 years
Expected volatility	29.8%	29.7%	31.5%

The following summarizes stock option activity during fiscal years 1998, 1997 and 1996:

	1998		1997		1996	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding, beginning of year	924,420	$ 26.836	776,000	$ 23.772	550,000	$ 20.125
Granted	979,500	33.217	227,000	35.313	231,000	32.375
Exercised	(54,180)	22.069	(32,580)	20.125	-	-
Canceled	(92,400)	31.478	(46,000)	21.728	(5,000)	20.125
Outstanding, end of year	1,757,340		924,420		776,000	

NOTE 9 - STOCK OPTION PLAN (CONTINUED)

Following is a summary of the status of stock options outstanding at January 3, 1999:

Number Outstanding	Number Exercisable	Exercise Price	Remaining Term
408,840	220,840	$ 20.125	7 years
205,000	172,200	32.375	8 years
204,000	112,200	35.313	9 years
710,000	-	34.125	10 years
229,500	-	30.938	10 years

NOTE 10 - PENSION PLANS

The Company has qualified defined benefit plans covering substantially all of its employees. The benefits are based on years of service and the employee's compensation at the time of retirement, or years of service and a benefit multiplier. The Company funds its pension plans based on allowable federal income tax deductions. Contributions are intended to provide not only for benefits attributed to service to date but also for benefits expected to be earned in the future. The Company also has two non-qualified plans that provide benefits in addition to those provided in the qualified plans.

Pension fund assets are invested in a broadly diversified portfolio consisting primarily of publicly-traded common stocks and fixed income securities.

During 1998, the Company adopted the disclosure requirements of Statement of Financial Accounting Standards (SFAS) No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". SFAS 132 standardizes the disclosure requirements for pensions and other postretirement benefits, requires additional information on changes in benefit obligations and fair values of assets, and eliminates certain previous disclosure requirements.

The following sets forth the reconciliation of the benefit obligations and plan assets and the funded status for all Company pension plans:

Change in Benefit Obligation	1998	1997
Benefit obligation at beginning of year	$178,676	$161,934
Service cost	10,291	6,476
Interest cost	29,017	13,265
Plan participants' contributions	2,122	2,056
Amendments	564	1,118
Actuarial loss	50,196	6,820
Acquisition	193,472	--
Benefits paid	(29,033)	(12,993)
Benefit obligation at end of year	$435,305	$178,676

NOTE 10 - PENSION PLANS (CONTINUED)

Change in Plan Assets	1998	1997
Fair value of plan assets at beginning of year	$ 204,935	$ 150,857
Actual return on plan assets	3,739	51,987
Participants' contributions	2,122	2,056
Employer contributions	3,646	13,028
Acquisition	262,031	--
Benefits paid	(29,033)	(12,993)
Fair value of plan assets at end of year	$ 447,440	$ 204,935
Funded status	$ 12,135	$ 26,259
Unrecognized net actuarial loss (gain)	54,253	(28,285)
Unrecognized prior service cost	10,300	8,947
Unrecognized transition amount	--	(119)
Minimum pension liability	(3,150)	(1,431)
Prepaid pension expense shown in balance sheet	$ 73,538	$ 5,371
Minimum pension liability:		
Intangible asset	$ 1,207	$ 1,431
Deferred income tax benefit	782	--
Charge to shareholders' equity	1,161	--
Total	$ 3,150	$ 1,431

Net periodic benefit cost includes the following components:

	1998	1997	1996
Service cost of benefits earned	$ 10,291	$ 6,476	$ 5,734
Interest cost on projected benefit obligation	29,017	13,265	12,431
Expected return on plan assets	(41,265)	(15,131)	(12,433)
Amortization of prior service costs	2,322	1,950	1,950
Amortization of transition asset	(120)	(120)	(605)
Amortization of net loss from prior periods	238	117	62
Cost of early retirement window	237	1,118	--
Net periodic benefit cost	$ 720	$ 7,675	$ 7,139

The weighted average discount rates used in determining the actuarial present value of the projected benefit obligation were 7.0% for 1998 and 8.5% for 1997 and 1996. The rate of increase for future compensation levels used in determining the obligation was 5.0 percent for 1998, 1997 and 1996. The expected long-term rate of return on plan assets in 1998, 1997 and 1996 was 10.5 percent.

The Company's two non-qualified plans have no plan assets. The total unfunded projected benefit obligations of these two plans were $22,099, $9,470, and $6,421 at the respective 1998, 1997 and 1996 year ends. The related accumulated benefit obligations were $16,947, $5,172, and $3,440 at the same respective year ends. Minimum pension liability adjustments of $3,150 and $1,431 were recorded in 1998 and 1997, respectively. Corresponding amounts were recognized as intangible assets to the extent of unrecognized prior service cost and unrecognized transition amount. At January 3, 1999, $1,943 of excess minimum liability resulted in a reduction of shareholders' equity, net of $782 related deferred tax benefit. The net $1,161 reduction of shareholders' equity is accounted for as a component of "Comprehensive Income".

NOTE 11 - POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

In addition to providing pension benefits, the Company provides certain health care benefits for eligible retired employees. The following table sets forth the reconciliation of the benefit obligation and the funded status for this plan:

	1998	1997
Change in Accumulated Postretirement Benefit Obligation		
Beginning balance	$ 28,779	$ 29,182
Service cost	--	--
Interest cost	4,077	2,401
Actuarial loss (gain)	1,543	(4,721)
Acquisition	25,951	0
Net retiree benefits paid	(3,702)	(1,265)
Ending balance	$ 56,648	$ 25,597
Plan assets	--	--
Funded status	$ 56,648	$ 25,597
Unrecognized net actuarial (gain) loss	(1,591)	3,182
Retiree health care obligation shown in balance sheet	$ 55,057	$ 28,779

The components of postretirement benefit cost are as follows:

	1998	1997	1996
Service cost	$ --	$ --	$ --
Interest cost	4,077	2,401	2,728
Amortization of net (gain) loss from prior periods	(48)	--	266
Net postretirement benefit cost	$ 4,029	$2,401	$2,994

The funding policy is to pay claims as they occur. Payments for postretirement health benefits, net of retiree contributions, amounted to $3,702, $1,265 and $1,452 in 1998, 1997, and 1996, respectively.

The accumulated benefit obligation was determined using the unit credit method and assumed discount rates of 7.0% for 1998 and 8.5% for 1997 and 1996. The assumed current health care cost trend rate is 10.0% in 1998 and gradually decreases to 5.0% in the year 2007.

A one percent increase in the health care cost trend rates used would result in a $211 increase in the service and interest components of expense for 1998 ($298 for 1997) and a $2,771 increase in the postretirement benefit obligation at January 3, 1999 ($3,048 increase at December 28, 1997).

A one percent decrease in the health care cost trend rates used would result in a $186 decrease in the service and interest components of expense for 1998 and a $2,445 decrease in the postretirement benefit obligation at January 3, 1999. The effects of a one percent decrease were not determined for 1997.

NOTE 12 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Company to a concentration of credit risk principally consist of cash and equivalents, short-term investments, and trade receivables. The Company's credit risk with respect to trade receivables is, in management's opinion, limited due to industry and geographic diversification. As disclosed on the balance sheet, the Company maintains an allowance for doubtful accounts to cover estimated credit losses.

NOTE 13 - FAIR VALUE OF FINANCIAL INSTRUMENTS

	January 3, 1999		December 28, 1997	
	Fair Value	Carrying Amount	Fair Value	Carrying Amount
Assets				
Cash and equivalents	$ 9,792	$ 9,792	$ 67,556	$ 67,556
Securities held to maturity	-	-	760	760
Trading securities	6,530	6,530	15,295	15,295
Liabilities				
Long-term debt	$237,083	$234,600	$ 4,695	$ 4,600

The carrying amounts of cash equivalents and securities held to maturity approximate fair value because of the short maturities of those instruments. The fair value of trading securities is based on quoted market prices. The fair value of long-term debt, including the current portion, is estimated using a discounted cash flow analysis based on the Company's assumed incremental borrowing rates for similar types of borrowing arrangements.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Purchase commitments for capital improvements aggregated $10,036 at January 3, 1999. Also, the Company has purchase commitments for equipment for resale of $923 at January 3, 1999. The Company has no purchase agreements with suppliers extending beyond normal quantity requirements.

The Company is obligated under several leases expiring at various dates. Annual expense under these leases was $46,838 in 1998, $25,450 in 1997, and $23,320 in 1996.

Rental commitments under existing leases at January 3, 1999, are:

	Real Estate	Sales Offices	Transportation Equipment	Computer and Other Equipment	Total
1999	$14,621	$9,789	$671	$7,233	$32,314
2000	13,801	7,260	437	5,086	26,584
2001	8,709	5,655	367	3,045	17,776
2002	4,636	3,531	351	1,488	10,006
2003	1,854	1,546	276	932	4,608
Later years	39	238	177	-	454

In the opinion of management, no litigation or claims, including proceedings under governmental laws and regulations related to environmental matters, are pending against the Company which will have an adverse material effect on its financial condition.

NOTE 15 - SEGMENT REPORTING INFORMATION

During 1998, the Company adopted the disclosure requirements of Statement of Financial Accounting Standards (SFAS) No. 131, "Disclosures about Segments of an Enterprise and Related Information". SFAS 131 uses a "management approach" to disclose financial and descriptive information about an enterprise's reportable operating segments that is based on reporting information the way management organizes the segments for making operating decisions and assessing performance.

The Company has determined that its operating activities consist of two reportable operating segments resulting from its 1998 internal realignment. One operating segment is the Document Management and Systems Division (DM&SD) into which the Company's core businesses have been concentrated. Products and services provided by this division include paper-based and electronic business forms, document security and document management solutions, and pressure sensitive labels. The second operating segment is the faster growing Impressions Division that provides direct mail, commercial printing, print on demand, and phone cards/smart cards products and services. Each division provides marketing, research and development, manufacturing, and administrative support for their respective products and services. Financial information about the Company's reportable operating segments is as follows:

<TABLE>
<CAPTION>

<S>	1998 <C>	1997 <C>	1996 <C>
Revenue:			
DM&SD	$ 1,010,294	$667,726	$680,497
Impressions	385,318	294,722	260,792
Corporate	1,257	3,226	2,689
Total revenue	$ 1,396,869	$965,674	$943,978
Income Before Income Taxes:			
DM&SD	$ 97,987	$ 87,036	$ 78,921
Impressions	15,865	23,867	27,421
Corporate	(13,847)	27	1,462
Total income before income taxes	$ 100,005	$110,930	$107,804
Identifiable Assets:			
DM&SD	$ 591,777	$381,419	$363,334
Impressions	183,724	167,362	153,591
Corporate	209,576	98,237	71,188
Total identifiable assets	$ 985,077	$647,018	$588,113
Depreciation and Amortization Expense:			
DM&SD	$ 27,423	$ 18,111	$ 18,221
Impressions	16,727	15,104	13,251
Corporate	9,962	3,431	3,342
Total depreciation and amortization expense	$ 54,112	$ 36,646	$ 34,814
Capital Expenditures:			
DM&SD	$ 20,373	$ 25,266	$ 27,599
Impressions	12,388	18,257	25,516
Corporate	32,972	17,764	4,668
Total capital expenditures	$ 65,733	$ 61,287	$ 57,783

</TABLE>

In computing income before income taxes for each operating segment, the following items have been excluded and reported as corporate: interest expense, goodwill amortization, LIFO adjustments, and income from investments.

NOTE 16 - QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized quarterly financial data follow:

<TABLE>
<CAPTION>

	Quarters Ended			
	March 29 1998	June 28 1998	September 27 1998	January 3 1999
Revenue	$344,057	$333,654	$340,648	$378,510
Gross margin*	121,584	123,477	130,239	147,267
Net income	9,691	12,368	17,217	20,307
Basic earnings per share	.34	.44	.61	.71
Diluted earnings per share	.34	.43	.60	.71

	Quarters Ended			
	March 30 1997	June 29 1997	September 28 1997	December 28 1997
Revenue	$230,114	$236,467	$237,243	$261,850
Gross margin*	93,589	96,537	97,454	101,802
Net income	14,948	16,999	16,250	18,697
Basic earnings per share	.52	.60	.57	.66
Diluted earnings per share	.52	.59	.57	.65

* Revenue less cost of products sold.

SCHEDULE II

THE STANDARD REGISTER COMPANY

VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

FOR THE THREE YEARS ENDED JANUARY 3, 1999
(Dollars in thousands)

Column A	Column B	Column C		Column D	Column E
		Additions			
		(1)	(2)		
Description	Balance at beginning of period	Charged (Credited) to costs and expenses	Other Additions	Deductions	Balance at end of period
Year Ended January 3, 1999					
Allowance for doubtful accounts	$ 2,864	$ 5,053	$ 19,667(c)	$ 13,426(a)	$ 14,158
Inventory obsolescence	2,856	2,685	1,048(c)	2,247(b)	4,342
Restructuring liability	-0-	-0-	$ 41,659(c)	26,816(d)	14,843
Year Ended December 28, 1997					

Allowance for doubtful accounts	$ 3,638	$ 1,051		$ 1,825(a)	$ 2,864
Inventory obsolescence	2,303	2,915		2,362(b)	2,856
Year Ended December 29, 1996					
Allowance for doubtful accounts	$ 3,913	$ 1,202		$ 1,477(a)	$ 3,638
Inventory obsolescence	1,991	2,810		2,498(b)	2,303

</TABLE>

(a) Net uncollectible accounts written off

(b) Obsolete inventory scrapped or written down to realizable value

(c) Recognized in connection with purchase business combination

(d) Payment of exit costs for acquired business

EX-23

CONSENT OF INDEPENDENT AUDITORS

As independent auditors, we hereby consent to the incorporation of our reports included in and incorporated by reference in this Form 10-K, into the Company's previously filed Registration Statements File No.'s 333-02683, 333-05231, 333-15851, 333-43055, 333-51189, 333-51181 and 333-57779.

/S/ BATTELLE & BATTELLE LLP

BATTELLE & BATTELLE LLP

Dayton, Ohio
March 26, 1999

EX-24

P O W E R   O F   A T T O R N E Y

We, the undersigned Directors of The Standard Register Company (hereinafter called "Company"), an Ohio corporation, do hereby appoint Paul H. Granzow, Chairman of the Board of Directors of the Company, as our attorney-in-fact to sign on behalf of each of us as Directors of the Company the Annual Report on Form 10-K filed by the Company annually with the Securities and Exchange Commission.

We, the undersigned Directors of the Company, have signed this Power of Attorney on February 18, 1999.

/S/ R. W. Begley, Jr.	/S/ D.L. Rediker
R. W. Begley, Jr.	D.L. Rediker
/S/ F. D. Clark, III	/S/ A. Scavullo
F. D. Clark, III	A. Scavullo
/S/ G. G. Keeping	/S/ C. F. Sherman
G. G. Keeping	C. F. Sherman
/S/ P. S. Redding	/S/ J. Q. Sherman, II
P. S. Redding	J. Q. Sherman, II

Signed and acknowledged in the presence of:

/S/ P. H. Granzow	/S/ K.A Lamme
P. H. Granzow, Chairman of the Board of Directors of The Standard Register Company	K.A. Lamme, Corporate Vice President, Secretary and Deputy General Counsel of The Standard Register Company
	[Corporate Seal]

STATE OF OHIO, MONTGOMERY COUNTY:

The foregoing Directors of The Standard Register Company personally appeared before me, a Notary Public for the State of Ohio, and each of them acknowledged that they did sign this Power of Attorney, and that it is the free act and deed of each said Director.

I have signed and sealed this Power of Attorney at Dayton, Ohio on February 18, 1999.

/S/ K.A Lamme

K.A. Lamme
Notary Public

[Notary Seal]

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE STANDARD REGISTER COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED JANUARY 3, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
<MULTIPLIER> 1,000

<S>	<C>	
<PERIOD-TYPE>	YEAR	
<FISCAL-YEAR-END>		JAN-3-1999
<PERIOD-END>		JAN-3-1999
<CASH>		9,792
<SECURITIES>		6,530
<RECEIVABLES>		302,261
<ALLOWANCES>		14,158
<INVENTORY>		138,376
<CURRENT-ASSETS>		473,795
<PP&E>		550,379
<DEPRECIATION>		182,218
<TOTAL-ASSETS>		985,077
<CURRENT-LIABILITIES>		130,356
<BONDS>		234,600
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		29,116
<OTHER-SE>		491,849
<TOTAL-LIABILITY-AND-EQUITY>		985,077
<SALES>		1,395,119
<TOTAL-REVENUES>		1,396,869
<CGS>		874,302
<TOTAL-COSTS>		1,296,864
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		5,053
<INTEREST-EXPENSE>		14,044
<INCOME-PRETAX>		100,005
<INCOME-TAX>		40,422
<INCOME-CONTINUING>		59,583
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		59,583
<EPS-PRIMARY>		2.10
<EPS-DILUTED>		2.08

</TABLE>