



Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2012
[J-GAAP]

August 11, 2011

Company Name: Dai Nippon Printing Co., Ltd.
 Stock exchange listings: Tokyo, Osaka
 Stock code: 7912 URL: <http://www.dnp.co.jp/>
 Representative: Yoshitoshi Kitajima, President
 Contact person: Yoshio Kanbe, General Manager, Press and Public Relations
 Telephone: +81-3-5225-8220
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 Dividend payment date: -
 Preparation of quarterly earnings presentation material: No
 Holding of quarterly earnings announcement: No

(Amounts under one million yen have been rounded down.)

1. Consolidated financial results for the first three months ended June 30, 2011
(April 1, 2011 – June 30, 2011)

(1) Consolidated financial results

(Percentages show change from corresponding year-ago period.)

	Net Sales		Operating Income		Ordinary Income	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2011	370,309	(6.5)	7,427	(65.5)	11,067	(51.0)
Three months ended June 30, 2010	396,109	4.1	21,543	128.4	22,568	106.8

Note: Comprehensive income: For the first three months ended June 30, 2011: ¥6,944 million (429.3%)
 For the first three months ended June 30, 2010: ¥1,311 million (—%)

	Net Income		Net Income per Share	Diluted Net Income per Share
	Million yen	%	Yen	Yen
Three months ended June 30, 2011	4,374	(50.3)	6.79	—
Three months ended June 30, 2010	8,797	337.8	13.66	—

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of June 30, 2011	1,627,354	949,251	55.6
As of March 31, 2011	1,649,784	952,440	55.1

Note: Stockholders' equity as of June 30, 2011: ¥904,725 million As of March 31, 2011: ¥908,521 million

2. Dividends

	Annual Dividends (Yen)				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Year ended March 31, 2011	—	16.00	—	16.00	32.00
Year ending March 31, 2012	—				
Year ending March 31, 2012 (Forecasts)		16.00	—	16.00	32.00

Note: Revisions to the most recently announced dividend forecasts during the current quarter: Yes

3. Consolidated earnings forecasts for the year ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(Percentages show change from corresponding year-ago period.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	764,000	(4.0)	16,000	(59.2)	18,000	(54.0)	6,500	(62.3)	10.09
Full year	1,576,000	(0.8)	50,000	(26.3)	52,000	(17.2)	19,000	(24.1)	29.5

Note: Revisions to the most recently announced earnings forecasts during the current quarter: Yes

4. Other information

(1) Changes in significant subsidiaries during the current quarter (changes in specified subsidiaries resulting in change of scope of consolidation): No

(2) Application of accounting procedures peculiar to quarterly consolidated financial statement preparation: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

- 1) Changes in accounting policies with revision of accounting standards: No
- 2) Changes in accounting policies other than the 1) above: No
- 3) Changes in accounting estimates: No
- 4) Restatement of revisions: No

(4) Number of common shares issued and outstanding

1) Number of common shares outstanding at end of each period (including treasury shares)

As of June 30, 2011	700,480,693 shares	As of March 31, 2011	700,480,693 shares
As of June 30, 2011	56,344,819 shares	As of March 31, 2011	56,338,163 shares
Three months ended June 30, 2011	644,139,284 shares	Three months ended June 30, 2010	644,232,682 shares

2) Number of treasury shares at end of each period

3) Average number of shares outstanding during the period (cumulative from the start of the fiscal year)

Presentation of implementation status for quarterly review procedures

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to these Consolidated Financial Results, and the quarterly review procedure based on the Financial Instruments and Exchange Act was completed as of the release of these Consolidated Financial Results.

Explanation regarding appropriate use of earnings forecasts and other special notes

Forward-looking statements in this report, including earnings forecasts, are based on assumptions about economic conditions, market trends, and other factors at the time the report was prepared. Actual results may differ significantly due to a variety of factors.

See the “(3) Qualitative information on the consolidated earnings forecasts” on page 3 for information about earnings forecasts.

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1. Qualitative information on the consolidated results for the current quarter

(1) Qualitative information on the consolidated financial results

In the first three months of the fiscal year, Japan's economy continued to face difficult conditions, including a slowdown in production and decline in exports caused by the Tohoku – Pacific Ocean Earthquake, higher raw material prices, and concerns about worsening employment conditions.

The printing industry continued to face a tough business environment. Competition grew more intense as a result of sluggish consumer spending and lower corporate advertising expenditures. The earthquake also caused demand to weaken further.

In this environment, the DNP (Dai Nippon Printing Co., Ltd.) Group sought to aggressively develop its business and deliver products, services, and solutions tailored to the needs of its customers, based on its P&I Solutions business vision (P&I stands for “printing technology” and “information technology”). The Group also pursued Production 21 Activities to establish a robust production structure in all facets of production, including quality, cost, and delivery time, and it worked to secure earnings.

In spite of these efforts, the DNP Group's consolidated net sales for the first three months fell 6.5% year on year to ¥370.3 billion, consolidated operating income fell 65.5% to ¥7.4 billion, consolidated ordinary income fell 51.0% to ¥11.0 billion, and net income fell 50.3% to ¥4.3 billion.

Business segment results are presented below.

[PRINTING]

Information Communication

In the Books and Magazines business, sales of books increased, but magazines declined.

In the Commercial Printing business, sales decreased year on year as cutbacks in corporate advertising expenditures prompted by a prevailing mood of self-restraint in the wake of the earthquake resulted in weak sales of flyers, pamphlets, catalogs, and other products.

In the Business Forms business, sales decreased year on year as a result of declines for both information processing services (ranging from data entry to printing and shipment of personal mail and other items) and smart cards.

In the Educational Publications Distribution business, sales rose well above year-ago levels on an increase in the number of newly consolidated subsidiaries.

As a result of the above, overall segment sales fell 3.9% year on year to ¥172.5 billion and operating income fell 65.1% to ¥1.8 billion.

Lifestyle and Industrial Supplies

In the Packaging business, sales increased year on year as a result of higher sales of flexible packaging and growth for PET bottle aseptic filling systems and PET bottle preforms.

In the Lifestyle Materials business, sales increased year on year on growth for eco-friendly products that use DNP's proprietary Electron Beam coating technology.

In the Industrial Supplies business, despite growth for photovoltaic module back sheets and other products, overall sales decreased year on year on declines for anti-reflection films used in flat-panel displays and for dye-sublimation thermal transfer recording media for photo printers (color ink ribbons and receiver paper).

As a result of the above, overall segment sales fell 3.1% year on year to ¥131.1 billion and operating income fell 39.3% to ¥8.6 billion.

Electronics

In the LCD color filter business, despite a contribution from production at the 8G plant in Himeji City, Hyogo Prefecture, sales decreased year on year because demand fell sharply as a result of domestic LCD panel manufacturers halting production due to the earthquake.

In the electronic devices business, sales decreased for etched products, including photomasks and hard drive suspensions, and for high-density build-up circuit boards, due partly

to a downturn in production at domestic manufacturers as a result of the earthquake.

As a result of the above, overall segment sales fell 20.3% year on year to ¥57.4 billion and operating losses totaled ¥200 million, versus operating income of ¥5.2 billion during the same period last year.

[BEVERAGES]

Beverages

Amid tough market conditions, characterized by weak consumer spending and intense sales competition, the DNP Group worked to expand sales of Coca-Cola and Georgia, both core products, and I LOHAS, a brand of mineral water that uses "ecoru Bottle Shiboru," Japan's lightest bottle.

As a result, although coffee sales decreased, mineral waters and sports drinks increased. Overall segment sales fell 9.3% year on year to ¥11.6 billion and operating losses totaled ¥200 million, versus losses of ¥400 million during the same period last year.

(2) Qualitative information on the consolidated financial position

Total assets at the end of the first quarter decreased by ¥22.4 billion from the end of the previous fiscal year to ¥1,627.3 billion, due partly to a decrease in notes and trade receivables.

Total liabilities decreased by ¥19.2 billion from the end of the previous fiscal year to ¥678.1 billion, due partly to a decline in short-term bank loans.

Net assets decreased by ¥3.1 billion from the end of the previous fiscal year to ¥949.2 billion, due partly to a decline in retained earnings.

As a result of the above, the equity ratio was 55.6%, up 0.5 percentage points from 55.1% at the end of the previous fiscal year.

(3) Qualitative information on the consolidated earnings forecasts

Our consolidated earnings forecasts for the fiscal year ending March 31, 2012 were previously undecided because the earnings impact of the Tohoku – Pacific Ocean Earthquake was difficult to rationally estimate. However, we now disclose forecasts based on recent conditions and earnings trends.

Our dividend forecasts for the fiscal year ending March 31, 2012 were also previously undecided, but in conjunction with the disclosure of consolidated earnings forecasts, we now forecast an interim dividend and year-end dividend of ¥16 per share, unchanged from the previous fiscal year, resulting in a full-year dividend of ¥32 per share, unchanged from the previous fiscal year.

Our consolidated earnings forecasts and dividend forecasts are also disclosed in our press release titled, "Dai Nippon Printing Announces Earnings and Dividend Forecasts," published on August 11, 2011.

2. Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheets

(Million yen)

	As of March 31, 2011	As of June 30, 2011
ASSETS		
Current assets		
Cash and time deposits	223,847	214,008
Notes and trade receivable	403,986	382,189
Merchandise and finished products	87,446	94,274
Work in progress	31,585	37,207
Raw materials and supplies	19,575	19,833
Other	31,496	28,945
Allowance for doubtful accounts	(6,994)	(6,150)
Total current assets	790,942	770,308
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	212,984	209,963
Machinery and equipment, net	173,849	167,917
Land	138,650	138,648
Construction in progress	47,036	49,613
Other, net	42,306	41,408
Total property, plant and equipment	614,827	607,551
Intangible fixed assets		
Other	35,891	38,303
Total intangible fixed assets	35,891	38,303
Investments and other assets		
Other	218,119	220,763
Allowance for doubtful accounts	(11,250)	(10,732)
Total investments and other assets	206,868	210,030
Total fixed assets	857,587	855,885
Deferred assets	1,253	1,159
TOTAL ASSETS	1,649,784	1,627,354

	As of March 31, 2011	As of June 30, 2011
LIABILITIES		
Current liabilities		
Notes and trade payable	275,525	283,471
Short-term bank loans	51,403	38,830
Reserve for bonuses	16,650	6,305
Reserve for disaster losses	4,648	3,629
Other	99,541	97,021
Total current liabilities	447,768	429,258
Long-term liabilities		
Bonds	153,520	153,330
Long-term debt	14,802	16,979
Provision for retirement benefits	39,260	37,808
Other	41,991	40,725
Total long-term liabilities	249,574	248,843
TOTAL LIABILITIES	697,343	678,102
NET ASSETS		
Stockholders' equity		
Common stock	114,464	114,464
Capital surplus	144,898	144,898
Retained earnings	760,452	754,508
Treasury stock	(94,113)	(94,116)
Total stockholders' equity	925,702	919,755
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	832	1,043
Net deferred gains (losses) on hedges	(12)	4
Foreign currency translation adjustments	(18,000)	(16,077)
Total accumulated other comprehensive income	(17,180)	(15,029)
Stock acquisition rights	16	16
Minority interests	43,902	44,509
TOTAL NET ASSETS	952,440	949,251
TOTAL LIABILITIES AND NET ASSETS	1,649,784	1,627,354

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income
First three months of the fiscal years

(Million yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Net sales	396,109	370,309
Cost of sales	318,760	305,717
Gross profit	77,349	64,592
Selling, general and administrative expenses	55,805	57,165
Operating income	21,543	7,427
Non-operating income		
Interest and dividend income	2,174	2,068
Reversal of allowance for doubtful accounts	—	1,419
Other	2,067	2,411
Total non-operating income	4,241	5,899
Non-operating expense		
Interest expense	651	853
Equity in losses of associated companies	159	600
Other	2,406	805
Total non-operating expenses	3,217	2,260
Ordinary income	22,568	11,067
Extraordinary gains		
Gain on sale of fixed assets	38	19
Gain on revision of retirement benefit plan	—	30
Reversal of allowance for doubtful accounts	371	—
Other	19	10
Total extraordinary gains	429	59
Extraordinary losses		
Loss on sale or disposal of fixed assets	991	1,004
Disaster losses and provision of reserve for disaster	—	586
Effect of application of accounting standards for asset retirement obligation	507	—
Other	543	255
Total extraordinary losses	2,042	1,847
Income before income taxes and minority interests	20,955	9,279
Current income taxes	3,676	2,964
Deferred income taxes	8,013	1,856
Income and other taxes	11,689	4,821
Income before minority interests	9,265	4,457
Minority interests	468	83
Net income	8,797	4,374

Quarterly consolidated statements of comprehensive income
First three months of the fiscal years

(Million yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Income before minority income	9,265	4,457
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,756)	244
Net deferred gains on hedges	57	16
Foreign currency translation adjustments	(228)	2,225
Share of other comprehensive income of associates accounted for using equity method	(26)	0
Total other comprehensive income	<u>(7,953)</u>	<u>2,486</u>
Comprehensive income	<u>1,311</u>	<u>6,944</u>
Comprehensive income attributable to owners of the parent	832	6,524
Comprehensive income attributable to minority interests	479	420

(3) Note on assumptions for going concern

None

(4) Segment information etc.

[Segment information]

I First three months of previous fiscal year (April 1, 2010 – June 30, 2010)

Information on sales and income/loss by reporting segment

(Million yen)

	Reporting segment					Adjustment Note 1	Amounts reported on quarterly consolidated statements of income Note 2
	Information Communication	Lifestyle and Industrial Supplies	Electronics	Beverages	Total		
Net sales							
Outside customers	177,717	133,484	72,106	12,799	396,109	—	396,109
Inter-segment	1,957	1,779	5	1	3,743	(3,743)	—
Total	179,675	135,263	72,112	12,801	399,852	(3,743)	396,109
Segment income (loss)	5,181	14,191	5,228	(432)	24,168	(2,625)	21,543

Notes: 1. Segment income (loss) is adjusted for costs related to basic research not assignable to a reporting segment or costs of research shared by different segments.

2. Segment income (loss) is adjusted to reflect operating income as reported on the consolidated statements of income.

II First three months of current fiscal year (April 1, 2011 – June 30, 2011)

Information on sales and income/loss by reporting segment

(Million yen)

	Reporting segment					Adjustment Note 1	Amounts reported on quarterly consolidated statements of income Note 2
	Information Communication	Lifestyle and Industrial Supplies	Electronics	Beverages	Total		
Net sales							
Outside customers	171,533	129,714	57,453	11,607	370,309	—	370,309
Inter-segment	1,059	1,403	0	0	2,464	(2,464)	—
Total	172,593	131,118	57,453	11,607	372,773	(2,464)	370,309
Segment income (loss)	1,808	8,610	(229)	(295)	9,893	(2,466)	7,427

Notes: 1. Segment income (loss) is adjusted for costs related to basic research not assignable to a reporting segment or costs of research shared by different segments.

2. Segment income (loss) is adjusted to reflect operating income as reported on the consolidated statements of income.

(5) Significant changes in shareholders' equity

None

(6) Additional information

As a result of accounting changes and corrections of past errors since the start of the first quarter of the fiscal year ending March 31, 2012, DNP is applying the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No. 24, December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24, December 4, 2009).