



Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending March 31, 2013
[J-GAAP]

August 9, 2012

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 Stock exchange listings: Tokyo
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 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, 2012
(April 1, 2012 – June 30, 2012)

(1) Consolidated financial results

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

	Net Sales		Operating Income		Ordinary Income		Net Income (Loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2012	352,949	(4.7)	2,556	(65.6)	3,807	(65.6)	(4,211)	–
Three months ended June 30, 2011	370,309	(6.5)	7,427	(65.5)	11,067	(51.0)	4,374	(50.3)

Note: Comprehensive income: For the first three months ended June 30, 2012: ¥(3,210) million (–)%
 For the first three months ended June 30, 2011: ¥6,944 million (429.3)%

	Net Income (Loss) per Share	Diluted Net Income per Share
	Yen	Yen
Three months ended June 30, 2012	(6.54)	–
Three months ended June 30, 2011	6.79	–

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of June 30, 2012	1,571,701	900,832	54.5
As of March 31, 2012	1,608,806	914,213	54.2

Note: Stockholders' equity as of June 30, 2012: ¥856,940 million As of March 31, 2012: ¥871,229 million

2. Dividends

	Annual Dividends (Yen)				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Year ended March 31, 2012	–	16.00	–	16.00	32.00
Year ending March 31, 2013	–				
Year ending March 31, 2013 (Forecasts)		16.00	–	16.00	32.00

Note: Revisions to the most recently announced dividend forecasts during the current quarter: No

3. Consolidated earnings forecasts for the year ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(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
Full year	1,580,000	4.8	48,000	41.1	47,000	27.6	17,500	–	27.17

Note: Revisions to the most recently announced earnings forecasts during the current quarter: No

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

Note: DNP changed depreciation methods starting in the first quarter of this fiscal year and this change falls under the category of “changes in accounting policies that are difficult to distinguish from changes in accounting estimates.” For further details, see the section titled, “2. Summary information (Notes): Changes in accounting policies, changes in accounting estimates, and restatement of revisions” on page 3.

(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, 2012	700,480,693 shares	As of March 31, 2012	700,480,693 shares
As of June 30, 2012	56,418,816 shares	As of March 31, 2012	56,417,765 shares
Three months ended June 30, 2012	644,061,498 shares	Three months ended June 30, 2011	644,139,284 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 “1. Qualitative information on the consolidated results for the current quarter, (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

During the first three months of the fiscal year, Japan's economy showed a gradual recovery driven by domestic demand, including restoration demand, but conditions remained challenging on account of overseas economic downturns, prolonged yen strength, and concerns about stable domestic electricity supply.

The printing industry continued to face a tough business environment as a result of weak demand, decline in order prices from stiffer competition, and increase in raw material prices.

In this environment, the DNP Group (DNP) 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"). In particular, DNP focused on "business creation" research and development to find proper solutions to problems from the standpoint of consumers and on the pursuit of "social business" to solve various social problems related to the environment, energy, education, and other matters. DNP also worked to expand its business globally, especially in the prospective high growth region of Asia. Moreover, DNP sought to secure earnings through the continued pursuit of "Production 21" Activities intended to establish a robust production structure in all facets of production, including quality, cost, and delivery time.

Despite these efforts, consolidated net sales for the first three months fell 4.7% year on year to ¥352.9 billion, consolidated operating income fell 65.6% to ¥2.5 billion, consolidated ordinary income fell 65.6% to ¥3.8 billion, and net losses totaled ¥4.2 billion, versus net income of ¥4.3 billion during the same period last year.

Business segment results are presented below.

[PRINTING]

Information Communication

In the Books and Magazines business, the publications market continued to slump, and although magazine sales decreased, book sales increased on a contribution from an expansion of integrated production lines, and overall sales rose above year-ago levels.

In the Commercial Printing business, sales increased year on year on growth for flyers, catalogs, POP, and other products due to aggressive sales activities.

In the Business Forms business, smart card sales were strong, including SIM cards and electronic money, but overall sales decreased year on year on a decline for information processing services (ranging from data entry to printing and shipment of personal mail and other items).

In the Education and Publications Distribution business, sales rose above year-ago levels on strong sales of books to libraries.

As a result of the above, overall segment sales grew 2.9% year on year to ¥177.5 billion and operating income increased 107.8% to ¥3.7 billion.

Lifestyle and Industrial Supplies

In the Packaging business, despite declines for paper containers and packaging films, overall sales increased year on year on growth for PET bottle aseptic filling systems.

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 energy-related products, including lithium ion rechargeable battery soft packages and photovoltaic cell sealing materials, overall sales decreased year on year on a decline for anti-reflection films used in flat-panel displays.

As a result of the above, overall segment sales fell 2.9% year on year to ¥127.3 billion and operating income dropped 43.5% to ¥4.8 billion.

Electronics

In the LCD Color Filter business, sales of small- and medium-sized filters for smart phones and

tablets were strong, but overall sales decreased year on year on a continued slump for large filters caused by sluggish global sales of LCD TVs.

In the Electronic Devices business, amid continued tough conditions in the semiconductor market, sales increased for module products and etched products, but decreased for photomasks, and overall sales fell below year-ago levels.

As a result of the above, overall segment sales fell 25.6% year on year to ¥42.7 billion and operating losses totaled ¥3.4 billion, versus losses of ¥200 million during the same period last year.

[BEVERAGES]

Beverages

Amid tough market conditions, characterized by weak consumer spending and stiffer sales competition, DNP 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 of the above, coffee and tea beverages increased and overall segment sales grew 1.2% year on year to ¥11.7 billion while operating losses totaled ¥500 million, versus losses of ¥200 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 ¥37.1 billion from the end of the previous fiscal year to ¥1,571.7 billion, due mainly to a decrease in notes and trade receivable.

Total liabilities decreased by ¥23.7 billion from the end of the previous fiscal year to ¥670.8 billion, due mainly to a decline in the reserve for bonuses.

Net assets decreased by ¥13.3 billion from the end of the previous fiscal year to ¥900.8 billion, due mainly to a decrease in retained earnings.

As a result of the above, the equity ratio rose from 54.2% at the end of the previous fiscal year to 54.5%.

(3) Qualitative information on the consolidated earnings forecasts

Our earnings forecasts for the fiscal year ending March 2013 are unchanged from the forecasts announced on May 14, 2012.

2. Summary information (Notes)

Changes in accounting policies, changes in accounting estimates, and restatement of revisions (Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

In line with revisions of the Corporation Tax Act, Dai Nippon Printing Co., Ltd. and domestic consolidated subsidiaries changed to a depreciation method based on the revised act for property, plant and equipment acquired on or after April 1, 2012 starting in the first quarter of this fiscal year.

This change has an immaterial impact on earnings.

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

(Million yen)

	As of March 31, 2012	As of June 30, 2012
ASSETS		
Current assets		
Cash and time deposits	217,518	207,707
Notes and trade receivable	385,101	363,928
Merchandise and finished products	91,912	95,707
Work in progress	39,356	37,738
Raw materials and supplies	19,850	20,817
Other	32,920	29,179
Allowance for doubtful accounts	(3,703)	(3,576)
Total current assets	782,956	751,502
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	213,514	211,328
Machinery and equipment, net	144,326	142,658
Land	142,149	142,041
Construction in progress	35,410	38,812
Other, net	44,165	43,341
Total property, plant and equipment	579,566	578,183
Intangible fixed assets		
Other	38,005	37,395
Total intangible fixed assets	38,005	37,395
Investments and other assets		
Other	213,421	209,836
Allowance for doubtful accounts	(6,034)	(6,012)
Total investments and other assets	207,387	203,824
Total fixed assets	824,959	819,403
Deferred assets	889	795
TOTAL ASSETS	1,608,806	1,571,701

(Million yen)

	As of March 31, 2012	As of June 30, 2012
LIABILITIES		
Current liabilities		
Notes and trade payable	276,353	275,407
Short-term bank loans	51,809	46,004
Reserve for bonuses	15,019	5,847
Other	99,996	96,636
Total current liabilities	443,179	423,895
Long-term liabilities		
Bonds	153,060	152,835
Long-term debt	19,147	18,452
Provision for retirement benefits	33,229	31,369
Other	45,976	44,316
Total long-term liabilities	251,413	246,973
TOTAL LIABILITIES	694,593	670,869
NET ASSETS		
Stockholders' equity		
Common stock	114,464	114,464
Capital surplus	144,898	144,898
Retained earnings	723,459	708,948
Treasury stock	(94,172)	(94,169)
Total stockholders' equity	888,649	874,141
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,370	1,271
Net deferred gains (losses) on hedges	(14)	4
Foreign currency translation adjustments	(21,775)	(18,476)
Total accumulated other comprehensive income	(17,420)	(17,200)
Stock acquisition rights	16	16
Minority interests	42,967	43,875
TOTAL NET ASSETS	914,213	900,832
TOTAL LIABILITIES AND NET ASSETS	1,608,806	1,571,701

(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, 2011	Three months ended June 30, 2012
Net sales	370,309	352,949
Cost of sales	305,717	293,326
Gross profit	64,592	59,623
Selling, general and administrative expenses	57,165	57,066
Operating income	7,427	2,556
Non-operating income		
Interest and dividend income	2,068	2,058
Equity in earnings of associated companies	–	56
Other	3,831	1,475
Total non-operating income	5,899	3,589
Non-operating expense		
Interest expense	853	868
Equity in losses of associated companies	600	–
Other	805	1,470
Total non-operating expenses	2,260	2,339
Ordinary income	11,067	3,807
Extraordinary gains		
Gain on sale of fixed assets	19	63
Gain on revision of retirement benefit plan	30	–
Other	10	8
Total extraordinary gains	59	72
Extraordinary losses		
Loss on sale or disposal of fixed assets	1,004	1,363
Loss on evaluation of investment securities	251	3,636
Other	590	272
Total extraordinary losses	1,847	5,271
Income (loss) before income taxes and minority interests	9,279	(1,392)
Current income taxes	2,964	1,925
Deferred income taxes	1,856	175
Income and other taxes	4,821	2,101
Income (loss) before minority interests	4,457	(3,494)
Minority interests	83	717
Net income (loss)	4,374	(4,211)

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

(Million yen)

	Three months ended June 30, 2011	Three months ended June 30, 2012
Income (Loss) before minority income	4,457	(3,494)
Other comprehensive income		
Valuation difference on available-for-sale securities	244	(3,213)
Net deferred gains on hedges	16	19
Foreign currency translation adjustments	2,225	3,483
Share of other comprehensive income of associates accounted for using equity method	0	(4)
Total other comprehensive income	2,486	284
Comprehensive income	6,944	(3,210)
Comprehensive income attributable to owners of the parent	6,524	(3,991)
Comprehensive income attributable to minority interests	420	781

(3) Note on assumptions for going concern

None

(4) Segment information etc.

[Segment information]

I First three months of previous 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.

II First three months of current fiscal year (April 1, 2012 – June 30, 2012)

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	176,269	122,167	42,766	11,746	352,949	–	352,949
Inter-segment	1,312	5,150	0	0	6,463	(6,463)	–
Total	177,582	127,317	42,766	11,747	359,413	(6,463)	352,949
Segment income (loss)	3,757	4,863	(3,430)	(529)	4,659	(2,103)	2,556

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) Significant subsequent events

Dai Nippon Printing Co., Ltd. based on a Board of Directors resolution adopted on August 9, 2012, concluded a stock transfer agreement with Mitsui & Co., Ltd. (Mitsui) on August 9, 2012 to acquire a portion of the common stock in Nihon Unisys, Ltd. (Nihon Unisys) owned by Mitsui. Dai Nippon Printing Co., Ltd. also concluded a business alliance agreement with Nihon Unisys.

Dai Nippon Printing Co., Ltd. plans to make Nihon Unisys an equity-method affiliate based on this stock acquisition.