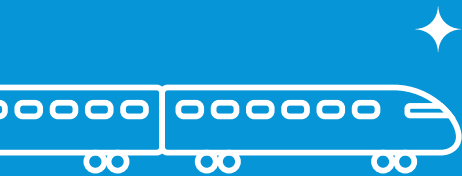




Special
Feature

“Creating What Everyone will Take for Granted in the Future”

DNP’s Growth Strategies





Currently, DNP is mainly pursuing three growth strategies: (1) development and promotion of new products and new businesses, (2) acceleration of global expansion, and (3) thorough structural reform of business operations. We believe that by pursuing these initiatives, we can generate a variety of devices, products, and services that society will seek in the future, and that we can solve a large number of problems faced by companies, consumers, and society.

For example, in Japan and in the world, there is still plenty of room for improvement in mechanisms for facilitating pleasant communication, convenient and easy-to-understand systems that support next-generation education, universal design products that are easy for everyone to use, social systems that contribute to improving quality of life even as society ages, and other aspects of modern life.

We believe that society and modern life will be enriched only when these kinds of products, services, and systems are readily available for everyone to use freely—in other words only when people come to take their availability for granted.

We express this idea through the phrase “creating what everyone will take for granted in the future.” We believe that creating this kind of future and extending it to the entire world will contribute to the development of a sustainable society and lead to DNP's own growth.

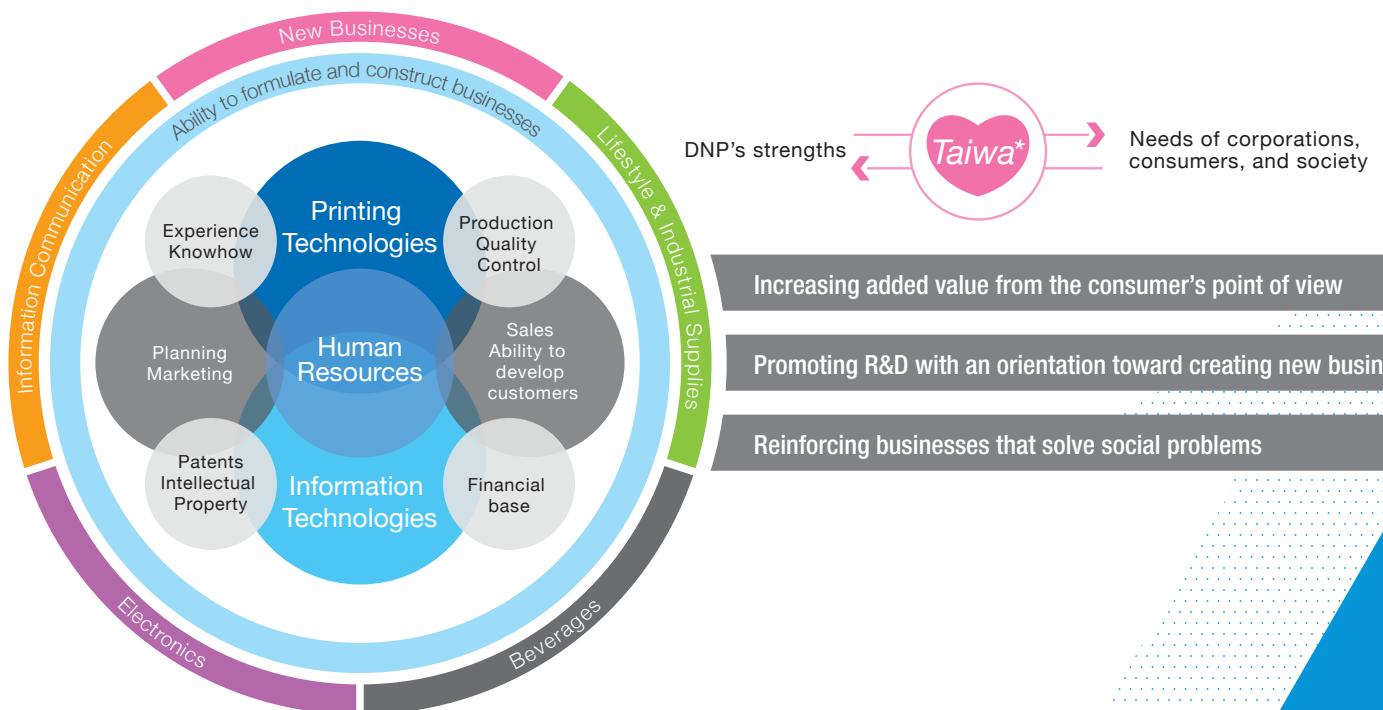
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DNP's Growth Strategies

01 Development and Promotion of New Products and New Businesses



02 Acceleration of Global Expansion

- Taking a global point of view, DNP will use its strengths to solve the problems of corporations, consumers, and society in general, whether in Japan or abroad.
- In April 2012, we prepared a new system for promoting overseas businesses, in order to accelerate DNP's global expansion.

03 Thorough Structural Reform of Business Operations

- Establishment of production frameworks based on a strong awareness of profitability
- Thorough elimination of waste as a step toward overall optimization
- Realization of a "disaster-proof DNP Group" through our business continuity plan (BCP)

* Taiwa is a process that entails identifying problems and finding solutions through the exchange of viewpoints and ideas.

"Creating What Everyone will Take for Granted in the Future"

Contribute to society through our corporate activities.

[Problems that need to be solved]

Pleasant communication

Optimal content, media, and information security

Solve corporations' problems.

Solve consumers' problems.

Solve society's problems.

Education; cultivation of a new generation
to whom we can entrust our future

Sustainable
environment and clean energy

Universal design products
that are easy for everyone to use

Solve problems at the global level.

Quality-of-life improvements
that are helpful even in an aging society

Global development
of meticulous problem resolution

Establish a solid management base.

Becoming a trusted company
that fulfills its social responsibilities



“Creating What Everyone will Take for Granted in the Future”

Imagine and Create

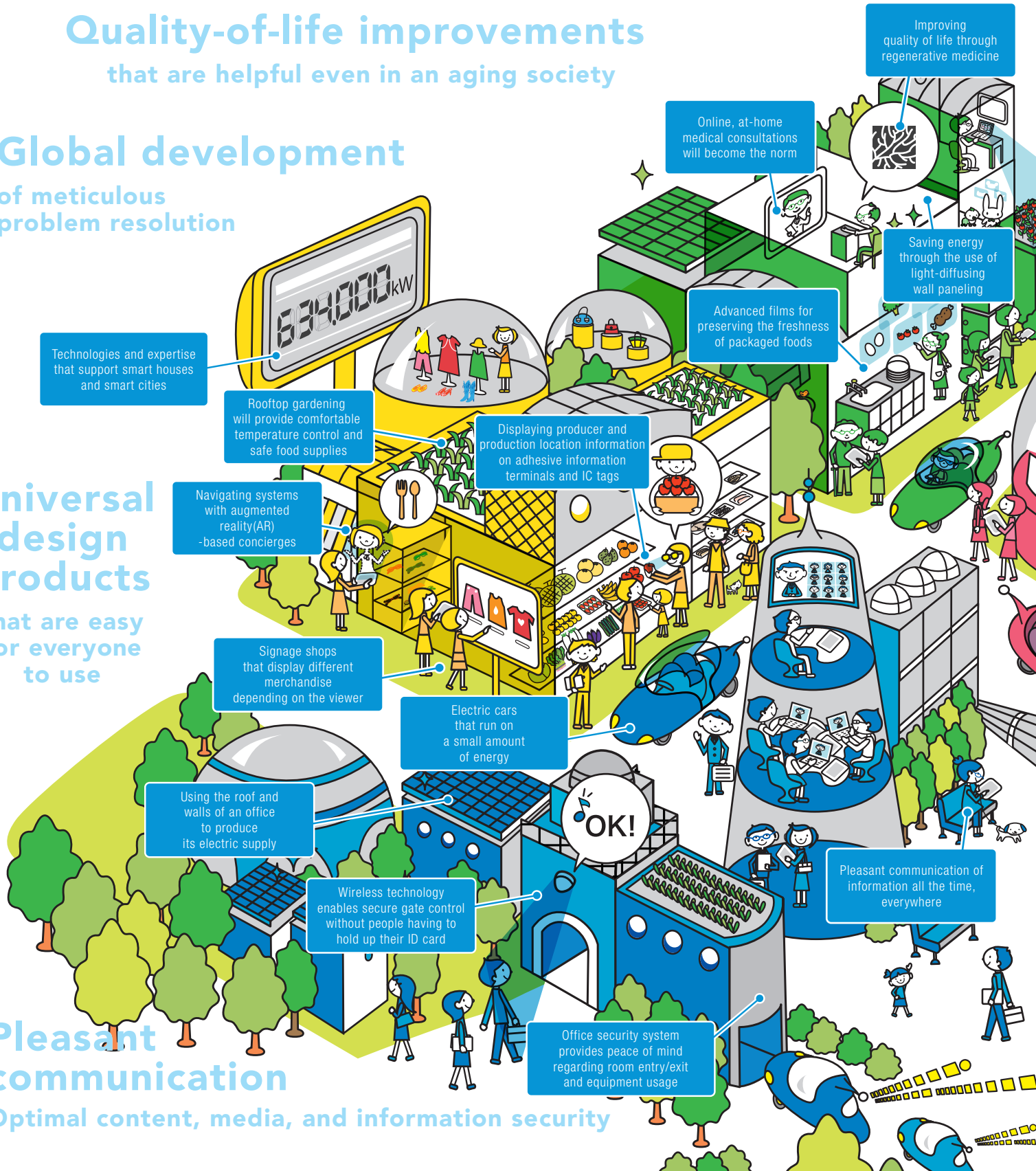
“what everyone will take for granted in the future”

Quality-of-life improvements that are helpful even in an aging society

Global development of meticulous problem resolution

Universal design products that are easy for everyone to use

Pleasant communication
Optimal content, media, and information security



Technologies and expertise that support smart houses and smart cities

Rooftop gardening will provide comfortable temperature control and safe food supplies

Navigating systems with augmented reality (AR)-based concierges

Signage shops that display different merchandise depending on the viewer

Using the roof and walls of an office to produce its electric supply

Wireless technology enables secure gate control without people having to hold up their ID card

Electric cars that run on a small amount of energy

OK!

Office security system provides peace of mind regarding room entry/exit and equipment usage

Online, at-home medical consultations will become the norm

Improving quality of life through regenerative medicine

Saving energy through the use of light-diffusing wall paneling

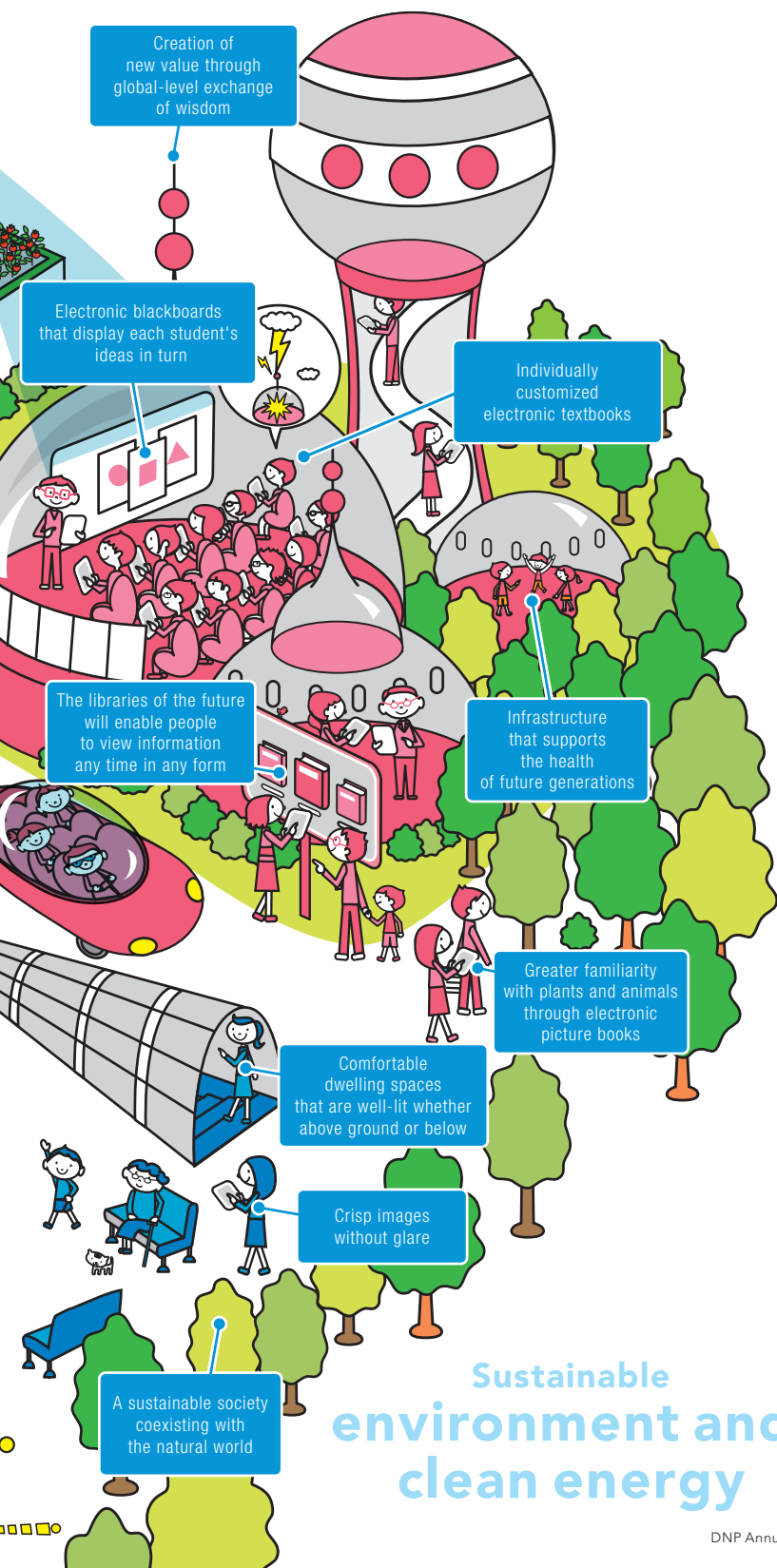
Advanced films for preserving the freshness of packaged foods

Displaying producer and production location information on adhesive information terminals and IC tags

Pleasant communication of information all the time, everywhere

Education;

cultivation of a new generation to whom we can entrust our future



There are so many possible scenarios of what the future might be like; it's impossible to predict the future exactly. However, we can look at the world and identify problems from the standpoint of consumers, a particular society, or the world as a whole. By coming up with proper solutions to those problems, we can realize the kind of future that many people look forward to, and we ourselves can have a share in the future.

DNP is currently exploring the nature of "what everyone will take for granted in the future" and focusing on applying and developing our strengths in printing technologies and other areas in order to create that future. As part of that process, we have established some central themes like the ones below, in order to increase the effectiveness of the various solutions that we find.

- Pleasant communication**
Optimal content, media, and information security
- Education;**
cultivation of a new generation to whom we can entrust our future
- Sustainable environment and clean energy**
- Universal design products**
that are easy for everyone to use
- Quality-of-life improvements**
that are helpful even in an aging society
- Global development**
of meticulous problem resolution

The illustration to the left is just one possible scenario from among the many versions of the future that we can imagine. For example, as Japanese people live longer and have fewer children, we might see increased demand for regenerative medicine and remote diagnosis as well as for enhanced educational environments for cultivating global human resources. Universal design products that can be used without strain by the maximum number of people, and advanced information security measures that allow safe and worry-free exchange of information will also be indispensable. So that people can continue to lead fulfilling lives all over the world, we must not neglect to take care of our planet's environment or to strive to lighten the burdens that we place on it through energy consumption.

By making the most of its strengths, DNP can offer optimal solutions to these problems and others like them. Besides the books and magazines that have long been taken for granted, DNP has continuously provided products and services that have already become taken for granted in our modern world, including smart cards, holograms, safe packaging for foods and household items, and interior and exterior decorative materials for comfortable homes and offices. Going forward, we will continue to contribute to society by creating "necessities" that everyone will come to take for granted in various arenas of business and personal life.

“Creating What Everyone will Take for Granted in the Future”

Main Themes

for Realizing “What Everyone will Take for Granted in the Future”

Pleasant communication Optimal content, media, and information security

As social network services become more widely used, a growing number of consumers are more frequently dispatching information, and international exchange of information has become very lively. There is increasing demand on the part of both consumers and corporations for the ability to exchange desirable content safely and securely via the most appropriate information media.

DNP facilitates pleasant communication by making use of our ability to accommodate "hybrid" paper and digital media and content, as well as the strengths that we have cultivated in information security through making related products like smart cards and holograms.



Smart card with Lippmann hologram

DNP makes a smart card even more difficult to counterfeit by inserting a Lippmann hologram, which can only be made with specialized materials and manufacturing processes.

Education; cultivation of a new generation to whom we can entrust our future

Cultivation of the young people who will lead in the next generation is an important topic in every generation, but today's children in particular will need to acquire skills and strengths that will enable them to survive in an environment of global competition. At the same time, as our society progressively grows older, high-quality lifelong education has become more important.

DNP offers a variety of educational solutions including personalized textbooks made by digitizing learning materials and adapting them to the level of individual students. We intend to continue offering a wide range of tools to support the education of future generations, including electronic library services that make use of our network, in addition to digital pens and electronic blackboards.



Electronic library services

We serve the educational and academic markets—i.e. public and university libraries—by providing hybrid publications distribution, including electronic book content distribution and sales.

Sustainable environment and clean energy

Amid efforts to reduce energy consumption along with increasing demand for alternatives to fossil fuels, it is becoming more important than ever to reduce the burden that we humans place on our planet's environment.

As a manufacturer, DNP is always thinking about how to coexist with the Earth's environment. Besides striving to minimize the burden that we place on the environment through manufacturing, we will also continue to provide eco-friendly products in a number of product categories. In addition, we will continue to make components for photovoltaic cells and lithium-ion batteries and use decorative materials, etc., that can be adapted for use in smart cities and smart houses, etc.



Highly antireflective, light-diffusing panels

A special matte treatment applied to wall surfaces diffuses light from fluorescent or LED light sources and delivers light to every corner of a room, thereby saving energy.

Printing Technologies that Support “What Everyone will Take for Granted in the Future”

DNP stands for Dai Nippon Printing. But the "Printing" in our name does not refer only to the kind of printing that entails attaching ink to paper. The printing technologies that have driven DNP's business expansion hold broad possibilities for application. Based on our great capacity for developing those possibilities, we have generated a large number of products and services that are indispensable to the daily lives of consumers and the business processes of our corporate clients.

For example, expanding the range of materials on which we print, from paper to plastic film and metals, allowed us to participate in industries

like packaging and decorative materials, through which we have been responding to strong demand in recent years for eco-friendly products with advanced functionality.

DNP is one of the world's very few "comprehensive printing companies" that have expanded their field of business extremely broadly from a base of core printing technologies. In the future, we intend to continue solving a variety of problems as we expand our field of business even further, into areas like battery components and other energy-related products, and materials used in regenerative medicine and other bioscience-related areas.

Universal design products that are easy for everyone to use

In a society that recognizes diversity, we need to create environments where different types of people can live in safety and comfort. In other words, we must adopt universal design principles.

DNP has established "Five Universal Design Principles," such as "clear, easy-to-understand expression of required information" and "simple, intuitive utility."

We always consider how we can enable the largest number and the most types of people to safely and easily use DNP's products and services. For example, we use color universal design principles in recognition of the different ways people perceive color, and we make packages that are easy to open for people with little physical strength.



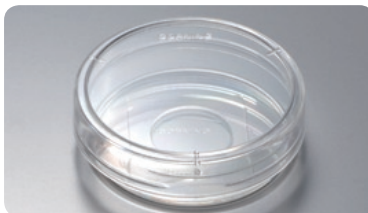
Next-generation digital signage

DNP's original, next-generation digital signage display based on universal design principles enables touch-screen operation by people in wheelchairs.

Quality-of-life improvements that are helpful even in an aging society

Not only in Japan, but in many countries the average age is rising. At the same time, explosive population growth is expected in developing countries. Beginning with health and medical issues, improving quality of life is becoming increasingly important all over the world.

DNP makes use of its technologies such as the information technologies it has cultivated in order to provide solutions that support new types of medical care, including electronic clinical chart maintenance systems and remote diagnosis. We are also expanding into the field of life science through businesses like capillary vessel regeneration and cell patterning culture substrates.



CytoGraph technology

CytoGraph cell pattern culturing film applies printing technologies to the field of regenerative medicine. The product is made by forming patterns on a glass surface using material that does not allow cells to adhere to the glass, thereby controlling cell reproduction.

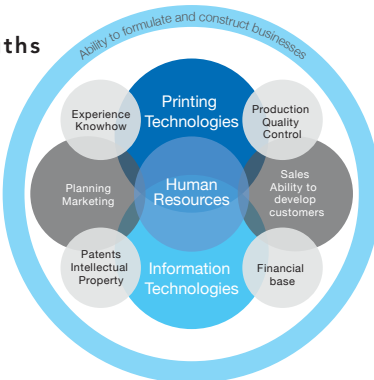
Global development of meticulous problem resolution

All of the issues that we mentioned to the left are important issues that await resolution not only in Japan, but in the rest of the world as well. Moreover, there is a need for solutions that properly fit the various circumstances found in different regions.

DNP has operating locations around the world. Through *taiwa*, we intend to identify the specific needs of people in various locations and provide them with products and services of optimized quality and functionality. In April 2012, we strengthened our framework for promoting overseas problem resolution by establishing Global Strategic Business Planning and Control Division. In the future, we will actively develop and expand our global business, for example by strengthening our packaging operations in Southeast Asia, where the rate of growth has been remarkable.



DNP's strengths



"Expansion printing" describes how we continually expand our field of business by applying and developing printing and other technologies as we contribute to society by

resolving the problems of corporations, consumers, and society based on our corporate vision of becoming a provider of "P&I Solutions."

Resolving the problems of corporations, consumers, and society

“Creating What Everyone will Take for Granted in the Future”

Achievements and Growth Strategies
for “what everyone will take for granted in the future”

1876 <Founding>

1950

1960

1970

1980

Printing

Comprehensive Printing

Information Processing

▶1876 Founding of Shueisha, DNP's predecessor; start of letterpress printing

▶1935 Merger of Shueisha and Nisshin Printing to form Dai Nippon Printing
▶1949 Listed shares on Tokyo Stock Exchange

Information Communication

Books and Magazines

▶1877 Produced first Western-style book in Japan, revised edition of “Self-Help” by Samuel Smiles
▶1912 Completion of DNP's original Shueitai font
▶1925 Receive order to print 740,000 copies of the inaugural edition of “King” magazine
▶1882 Begin sales of printing types
▶1956 Print the inaugural edition of “Shukan Shincho,” the first weekly magazine issued by a publishing company
▶1972 Begin digitalization of text and images (CTS)

Commercial Printing

▶1885 Start of lithographic printing
▶1971 Development of scented printing
▶1981 Establishment of new video printing system technology

Business Forms

▶1898 Begin printing of securities
▶1946 Begin printing new Bank of Japan notes after being designated to do so by Japanese Ministry of Finance
▶1954 Start of carbon-backed ledger printing
▶1965 Begin mass production of OCR ledgers
▶1974 Full-scale production of magnetic plastic cards
▶1983 Development of smart card

Lifestyle and Industrial Supplies

Packaging

▶1951 Full-scale entry into paper container business
▶1951 Begin printing on vinyl and other non-paper materials
▶1961 Start production of blow-molded bottles
▶1962 Begin producing paper cups
▶1969 Begin producing laminated tubes
▶1975 Begin producing retort pouches
▶1983 Development of technology for drawing on molded plastic goods
▶1984 Begin producing PET plastic bottles

Lifestyle Materials

▶1951 Begin developing decorative paper for melamine resin plate
▶1961 Begin printing directly onto steel plates
▶1974 Introduction of Curfit technology for printing on curved surfaces
▶1977 Development of stainless decorative sheet

Industrial Supplies

▶1983 Start producing projection screens
▶1984–85 Development of thermal resin-type and dye sublimation thermal transfer printing media

Electronics

Display Components

▶1958 Successful prototyping of shadowmasks
▶1973 Begin research and development of color filters
▶1978 Development of new type of shadowmasks (flat masks)

Electronic Devices

▶1959 Successful prototyping of photomasks
▶1964 Begin lead frame production

DNP's Growth Strategies

- ◆ Develop and promote new products and businesses
- ◆ Accelerate global expansion
- ◆ Thorough structural reform of business operations

Growth strategies of each business that will create "what everyone will take for granted in the future"

- ◆ Hybrid production solutions
- ◆ Hybrid bookstore network
- ◆ DNP-brand B to C business
- ◆ Cross media communications business
- ◆ Promotion of BPO business
- ◆ Expansion of security solutions

- ◆ Expand eco-friendly products
- ◆ Develop new products using materials with more advanced functionality
- ◆ Expand safe, reliable packaging, a variety of living space solutions, and industrial materials businesses worldwide

- ◆ Display products: shift to areas with greater growth potential; provide higher resolution and more advanced functionality
- ◆ Electronic devices: concentrate on high-end products and expand overseas business

- ◆ Promote business creation-oriented research and development
- ◆ Reinforce businesses that solve social problems; especially develop businesses related to themes like: environment and energy; aging society; education; universal design.

1990

2000

2010

Information Communication

P&I Solutions

		▶2001 Announcement of DNP Group Vision for the 21st Century (125th anniversary of DNP's founding)	
▶1985 Development of world's first electronic dictionary on CD-ROM	▶1992 Development of Shueitai True Type font	▶1997 Start of online publishing business	▶2008 Alliances with Maruzen Co., Ltd., Junkudo Co., Ltd. and Bunkyo Group Holdings Co., Ltd.
			▶2010 Startup of "honto" e-book sales service
▶1989 Construction of global network system	▶1995 Begin Internet service "Media Galaxy"	▶1997 Begin e-commerce service	▶2001 Begin Orikomio! e-flyer service
			▶2007 Launching of digital signage project
	▶1993 Production of contactless smart cards	▶1999 Launch of IC tag project	▶2004 Card Data Management Service (CDMS)
			▶2005 Establishment of "SSFC" office security consortium
	▶1992 Development of aseptic plastic bottle filling system and preform method	▶1998 Development of transparent barrier film (IB Film)	▶2007 Development of packaging for Japanese-style space food
	▶1995 Begin producing sheet with EB coating		
	▶1996 Establishment of anti-glare film technology for LCDs	▶2004 Development of "JETBLACK" front projection screens	▶2005 Begin development of "PrintRush" self-service printing system
▶1985 Development of LCD color filter production technology (production started 1987)		▶2002 Development of flexible organic EL displays	▶2003 Development of full-color organic EL panels
			▶2006 Mass production of color filters using inkjet method
	▶1995 Launch multilayer wiring formation technology	▶1999 Enter semiconductor package substrate field	▶2001 Begin MEMS (micro electro mechanical systems) processing under contract
			▶2002 Complete production line for "B ² it" high-density build-up boards

New Businesses

Energy Systems

- ▶1999 Commercialization of "soft packs" for lithium-ion batteries
- ▶2003 Development of photovoltaic module components
- ▶2005 Development of fuel cell components
- ▶2007 Development of printed organic photovoltaic cells

Life Science (Regenerative Medicine, etc.)

- ▶2004 Successful formation of capillary patterns
- ▶2008 Development of cell pattern culture substrates
- ▶2008 Development of cell sheet culture film

“Creating What Everyone will Take for Granted in the Future”

Going Global with This Idea

Using our strengths to solve global problems

DNP sees the entire world as its target market. We aim to "make the most of our strengths" in order to provide products and services that precisely meet the needs of people in different areas.

In particular, challenges like reducing the burden that we place on the environment, using energy efficiently, and designing products according to universal design

principles are important all over the world.

Rather than taking products designed for the Japanese market overseas and trying to sell them just as they are, we use plenty of *taiwa* to clarify the issues faced by people in various regions. We aim to expand our business by optimizing the functions and qualities sought by people in various locations, in order to solve their problems.

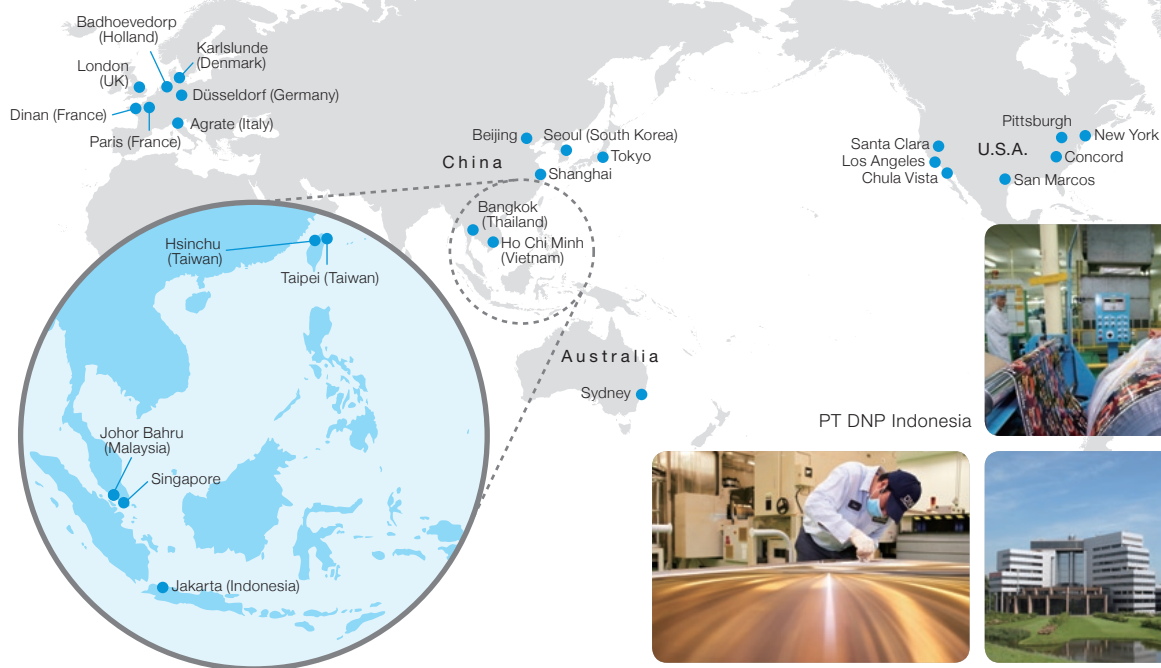
DNP's half-century of overseas development

Ever since DNP opened an office in Hong Kong in 1964, we have been actively developing our overseas business. Currently, the DNP group has 13 overseas manufacturing plants and 24 overseas offices staffed by a total of some 5,000 employees, mainly in Europe, Asia, North America and Australia. We manufacture and sell a wide variety of products in these regions, including pop-up and other books, magazines, flyers, catalogs, and other commercial printed matter, packaging and building materials, optical films used in electronic displays, color ink ribbons for printing photos, and photomasks used for manufacturing semiconductors.

In recent years, we have focused on expanding our business in Southeast Asia, which is a growing market.

After establishing representative offices in Ho Chi Minh City and Bangkok, in April 2012 we established a company in the suburb of Ho Chi Minh City to manufacture and sell soft packaging. Our information media supplies business, which primarily makes color ink ribbons, took over Sony Corp.'s digital photo printing business, thereby gaining us a global sales network that takes advantage of operating locations in places like the United States, France, and the Netherlands.

In the fiscal term through March 2012, overseas sales amounted to 192.2 billion yen, representing 12.8% of DNP's consolidated net sales, up 0.4 point from a year earlier. Of these overseas net sales, the Asian region contributed 69%, or 133.4 billion yen.



PT DNP Indonesia

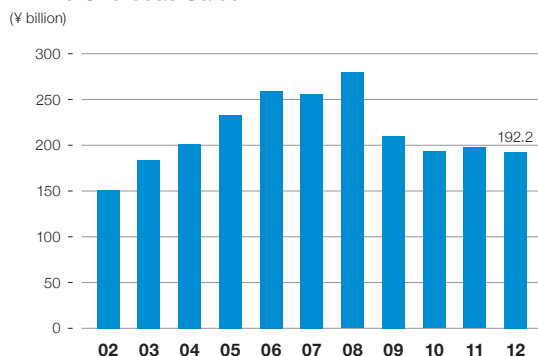


DNP Electronics America, LLC

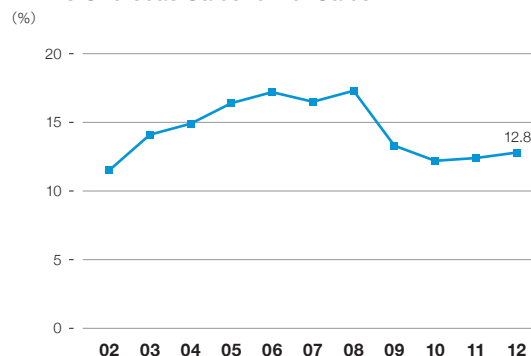


DNP IMS Netherlands B.V.

DNP's Overseas Sales



DNP's Overseas Sales to Net Sales



Future initiatives and issues

One of our strategies for future overseas business expansion is to make our main target the Asian region, which is expected to experience remarkable economic growth. Rising incomes in Southeast Asia and newly industrializing countries like India are accompanied by rapid changes in information media and lifestyles, which spell great potential for the products and services that DNP provides. In order to quickly seize this growing business opportunity, we established a regional control company in Singapore in June 2012. This is our third regional control company, following the establishment of DNP Corporation USA and DNP Business Consulting (Shanghai) Co., Ltd., which oversee business in the US and China respectively. In addition to promoting business expansion in Southeast Asia, DNP Singapore aims to boost the efficiency of DNP's

Southeast Asian businesses by standardizing accounting operations, and to increase added value by optimally allocating human resources within the region.

In addition, in April 2012 we established Global Strategic Business Planning and Control Division, in order to formulate an overall medium- to long-term plan for DNP's overseas businesses, to coordinate new product development, and to control overseas management risks. This office will cooperate with regional control companies and promote optimal management suited to the situation in each region. We are determined to achieve sustainable growth by formulating and implementing global strategies that make the most of DNP's various technological developments and other strengths.

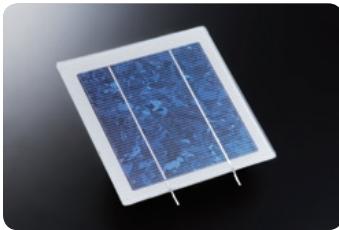
Global Development Timeline

- 1964 Establishment of Hong Kong representative office
- 1968 Establishment of New York representative office
- 1969 Establishment of representative offices in Sydney and Frankfurt
- 1970 Establishment of DNP Europe GmbH in Germany, to sell decorative materials and packaging products
- 1972 Establishment of PT DNP Indonesia to manufacture and sell mainly packaging products in Indonesia
- 1974 Establishment of DNP Corporation America to sell books, commercial printed matter, building materials, and electronics-related components
- 1989 Establishment of DNP Denmark A/S to manufacture and sell rear projection screens, etc.
- 1990 Acquisition of management rights to Tien Wah Press (Pte.) Ltd. (Singapore), which manufactures and sells books and commercial printed matter for the Singapore market
Establishment of DNP Singapore Pte. Ltd., which sells mainly decorative materials and electronics-related components
- 1991 Establishment of DNP UK Co., Ltd. to sell decorative materials
- 1994 Establishment of DNP IMS America Corporation to produce and sell ink ribbons for thermal transfer printers and for thermal-resin type printers
- 1998 Establishment of DNP Taiwan Co., Ltd., which sells electronics-related components
- 2000 Establishment of DNP Korea Co., Ltd., which sells electronics-related components
- 2001 Establishment of DNP Electronics America, LLC to manufacture and sell precision electronic components
- 2002 Establishment of photomask manufacturing company DNP Photomask Europe S.p.A. in Italy
- 2005 Establishment of DNP International Trading (Shanghai) Co., Ltd. to sell commercial printed matter in Shanghai and the rest of China
- 2006 Establishment of photomask manufacturing company, DNP Photomask Technology Taiwan Co., Ltd.
- 2008 Establishment of DNP IMS Netherlands B.V. to manufacture thermal-resin transfer ink ribbons
- 2010 Establishment of Ho Chi Minh representative office
- 2011 Establishment of Bangkok representative office
- 2012 Creation of Global Strategic Business Planning and Control Division
Establishment of Singapore regional control company
- 2013 (Planned) Establishment of soft packaging plant in the suburb of Ho Chi Minh City, Vietnam

“Creating What Everyone will Take for Granted in the Future”

Major Events of this Fiscal Year

Specific efforts for “what everyone will take for granted in the future”



Photovoltaic cell



New building of Tanabe Plant



Mihara Plant



DS-RX1 digital photo printer

✚ Cultivating fields with growth potential through active investment

● Startup of "mother plant" for energy-related components.....[April 2011]

DNP controls the No. 1 share of the world market for soft packs used in lithium-ion batteries. In April 2011, we started up a new plant in Kitakyushu, Fukuoka Prefecture, for making soft packs along with photovoltaic cell components such as back sheets and encapsulants. Amid growing demand for non-fossil fuel energy

sources, this new "mother plant" triples DNP's conventional capacity for producing energy-related components. Its products will be supplied to manufacturers all over the world, including China and other developing countries, and Europe.

● Startup of eco-friendly plant for producing advanced packaging products [November 2011]

In November 2011, DNP started up a new facility for making packages from highly functional film, using designs optimized for foods, household items, and medical products, etc. The new facility is on the grounds of DNP's paper container plant in Kyotanabe, Kyoto Prefecture.

The eco-friendly new plant makes efficient use of thermal energy and recycles solvents. In addition to paper products, DNP is developing "hybrid products" that combine the advantages of both paper and film.

● Expanding new product output by increasing production capacity for advanced optical films [November 2011]

In November 2011, we inaugurated a new facility and new production lines at our plant in Mihara, Hiroshima Prefecture, where we make high-performance anti-reflection films for use in flat-panel displays. In addition to working to

improve quality and productivity by automating production processes, we will actively develop and manufacture a variety of new products related to advanced optical films, such as components for 3D displays and touch panels.

✚ Business development through collaboration with other companies

● Expansion of photo print operations through acquisition of Sony's business[April 2011]

In order to strengthen our digital photo print business, in April 2011 we took over Sony Corp.'s commercial-use digital photo printer business. This meant also taking over Sony's worldwide customer base. We intend to increase

the volume of dye-sublimation thermal transfer media supplies (color ink ribbons and receiver paper) that we supply to instant photo print systems and ID photo printers installed by Sony.

TOPICS

New soft packaging plant in Vietnam [Startup scheduled for April 2013]



Concept drawing of Vietnamese plant

DNP plans to build a factory in the suburb of Ho Chi Minh City, Vietnam, for the production of soft packages, including pouches and tubes made of film for foods and household items, with startup scheduled for April 2013.

DNP has experience in Southeast Asia through PT DNP Indonesia, which it established in 1972. By supplying products that meticulously respond to local needs, DNP Indonesia has become the No. 1 packaging manufacturer and sales company in the region, and we have been exporting

packaging products to Vietnam from Indonesia. As a result of continuous strong economic growth, Vietnam has attracted attention as a distribution hub of the Indochina Peninsula. Establishing a new production base there will allow us to shorten delivery times and disperse risk by having more than one production base. We will work on expanding our business by using the new plant to provide high-quality products, mostly to global companies.

● **Collaboration with ASKUL Corp. providing online mail-order printing service for small- and medium-size businesses** [November 2011]

DNP has joined forces with ASKUL Corp., which operates an Internet-based mail-order printing service, to offer comprehensive printing services including planning and production of promotional materials, such as flyers, pamphlets, and posters. By combining ASKUL's customer

base of small- and medium-size businesses with DNP's printing technologies, production framework, and other strengths, the two companies intend to reap synergistic benefits and expand the business by uncovering latent demand.

● **Capital and business tie up with All About, Inc.** [December 2011]

In December 2011, DNP formed a capital and business alliance with All About, Inc., which operates a general information website called "All About" that answers a variety of consumer information needs. The All About website distributes more than 100,000 articles written by experts referred to on the site as "guides."

The site attracts about 18 million visitors and 120 million page views per month. Through the alliance, DNP aims to strengthen its own media services aimed at consumers, such as the "honto" hybrid bookstore network and Orikomio! e-flyer distribution service.



"All About"



"honto" hybrid bookstore network web page



"Orikomio!" e-flyer service

■ **Structural reforms aimed at improving profitability**

● **Reorganization of businesses in the central part of Honshu, Japan; launch of DNP Chubu Co., Ltd.** [April 2011]

In April 2011, DNP integrated manufacturing and sales divisions that handle business in Japan's Chubu region, and established DNP Chubu Co., Ltd. The new company will work to

improve productivity and to increase business by cooperating more closely than ever with local customers and responding meticulously to their individual needs.

● **Strengthening our competitive edge by merging prepress divisions** [October 2011]

In October 2011, we merged four Group companies in the Information Communication segment that handle pre-press operations such as data production and plate making. The idea is to increase competitiveness by boosting operational efficiency, evening out workflows,

consolidating redundant equipment, and sharing technologies and expertise. The new company will promote optimization of production equipment, optimal assignment of specialized human resources, and other forms of optimization.

● **Transfer of Sakai plant's color filter business to Sharp subsidiary**

In the fiscal year through March 2013, we plan to transfer the LCD color filter business at our Sakai plant to Sharp Corp. subsidiary Sakai Display Products Corp. (SDP). SDP's integrated production system handles every step from component procurement to assembly of

finished LCD panels. The company intends to improve its international competitiveness by achieving stable production and reducing costs. DNP aims to boost the competitiveness of its color filter business by taking a 9.54% stake in SDP.

TOPICS

Aiming to maximize profits through "overall optimization" [Fiscal year through March 2012]

Based on the idea of "overall optimization" of its manufacturing bases throughout the world, DNP intends to improve "vertical work flow" from project planning to manufacturing and delivery, and "horizontal cooperation" among multiple operating locations to allow us to boost production efficiency and in-house production rates.

In order to optimize "vertical work flow," we will work on emphasizing "designing profit," improving cooperation between manufacturing, sales, and planning divisions, and streamlining business processes. In addition, we will smooth flows between processes and between divisions, and construct efficient production systems that thoroughly eliminate waste.

Regarding "horizontal cooperation," we established a general production control center for the Information Communication segment and a packaging production control center for our Packaging operations, in order to optimize production locations so that we can make efficient use of production equipment throughout Japan. For example, if a client wants a flyer to be distributed nationwide, we would boost efficiency by receiving the entire order in Tokyo and distributing production of the products to plants in each region, close to delivery points. By making efficient use of production equipment throughout the country, we will increase our in-house production rate and boost profits.