



ANNUAL REPORT 2014

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This annual report is aimed at providing information about DNP's businesses, management vision, and business results. Opinions and forecasts contained in the report were based on the best judgment of management at the time the report was prepared, so we cannot guarantee that all information contained in the report is completely infallible.

In this annual report, "DNP" refers to the entire DNP Group, and "we" refers to DNP or the DNP management team.

(In the section on Corporate Governance (pp 52-61), "DNP" refers to Dai Nippon Printing Co., Ltd.)

Synopsis of Performance

Grand Summary of Financial Results

Dai Nippon Printing Co., Ltd. and Consolidated Subsidiaries Years ended March 31

	2014	2013	2012	Dollars in thousands except per share amounts 2014	change 2014/2013
Statements of Operations (¥ million) (\$ thousand)					
Net sales	¥ 1,448,550	¥ 1,446,607	¥ 1,507,228	\$ 14,063,592	0.1%
Operating income	50,099	35,780	34,015	486,398	40.0%
Ordinary income	53,285	40,318	36,843	517,330	32.2%
Income before income taxes	48,608	35,152	2,673	471,922	38.3%
Net income (loss)	25,642	19,218	(16,356)	248,951	33.4%
Balance Sheets (¥ million) (\$ thousand)					
Total net assets	¥ 976,385	¥ 937,055	¥ 914,213	\$ 9,479,466	4.2%
Interest-bearing debt	182,597	227,211	229,664	1,772,786	-19.6%
Total assets	1,574,754	1,578,976	1,608,806	15,288,874	-0.3%
Cash Flow Statements (¥ million) (\$ thousand)					
Cash flow from operating activities	¥ 120,109	¥ 100,498	¥ 108,603	\$ 1,166,107	19.5%
Cash flow from investing activities	(58,371)	(72,588)	(80,126)	(566,709)	–
Cash flow from financing activities	(80,038)	(36,236)	(32,833)	(777,068)	–
Free cash flow*	61,738	27,910	28,477	599,398	121.2%
Per Share Data** (¥) (\$)					
Net income (loss)	¥ 39.82	¥ 29.84	¥ (25.39)	\$ 0.39	33.4%
Net assets	1,447.96	1,386.86	1,352.71	14.06	4.4%
Cash dividend	32	32	32	0.31	–
Profit Margins (%)					
Operating income margin	3.46	2.47	2.26	3.46	0.99
EBITDA margin	8.63	8.21	6.76	8.63	0.42
Net income (loss) to net sales	1.77	1.33	-1.09	1.77	0.44
Financial Ratios					
ROE (%)	2.81	2.18	-1.84	2.81	0.63
ROA (%)	1.63	1.21	-1.00	1.63	0.42
D/E ratio (%)	20	25	26	20	–
Interest coverage ratio (times)	18.47	11.27	10.95	18.47	–
Valuations (against share price on March 31)					
PER (times)	24.84	29.70	–	24.84	–
PBR (times)	0.68	0.64	0.63	0.68	–
EV/EBITDA (times)	4.93	4.92	5.46	5.10	–
PCFR (times)	6.43	5.74	6.86	6.43	–
Dividend yield (%)	3.24	3.61	3.78	3.24	-0.37
Return to Shareholders					
Value of shares repurchased (¥ million)	–	–	–	–	–
Dividend payout ratio (%)	80.4	107.2	–	80.4	–
Others					
Long-term credit rating (R&I)	AA	AA	AA	AA	–
Foreign ownership (%)	24.41	21.12	23.20	24.41	–

U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥103=U.S.\$1, the approximate Tokyo foreign exchange market rate as of March 31, 2014.

* Free cash flow = Net cash from operating activities - net cash from investing activities ** No diluting securities outstanding

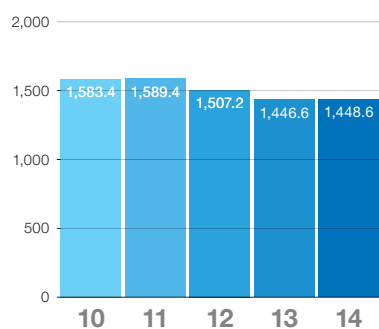
Achieved income growth for second consecutive fiscal year
Major improvement in financial constitution

Growth in products such as decorative materials, thermal transfer media
for printing photographs, and optical films

Expansion of overseas production bases, especially in Southeast Asia

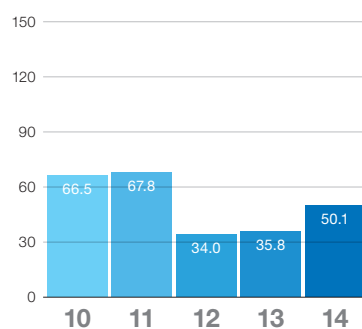
Net Sales

(¥ billion)



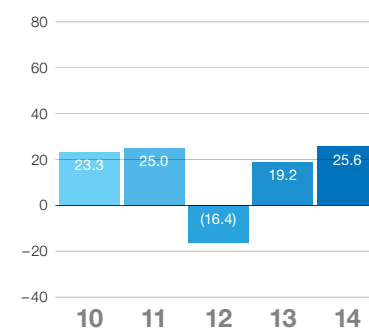
Operating Income

(¥ billion)



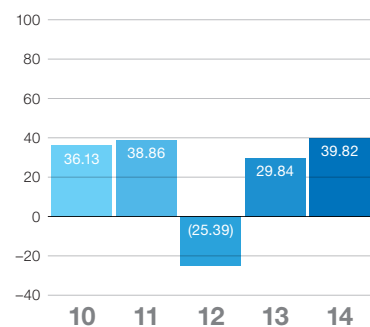
Net Income (Loss)

(¥ billion)



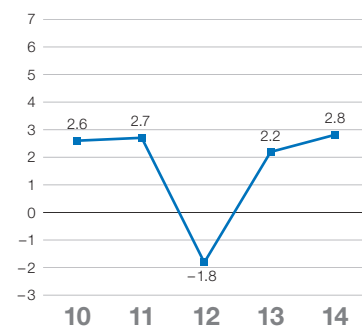
Net Income (Loss) per Share

(¥)



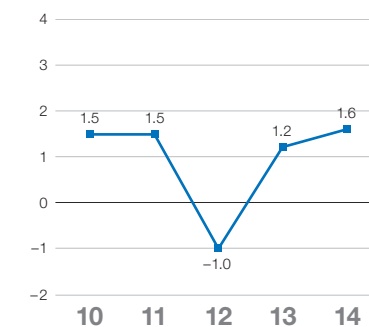
ROE

(%)



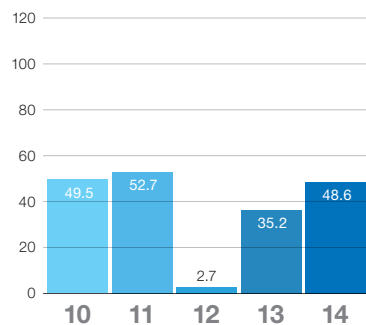
ROA

(%)



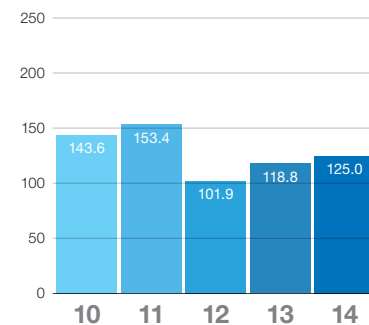
Income Before Income Taxes

(¥ billion)



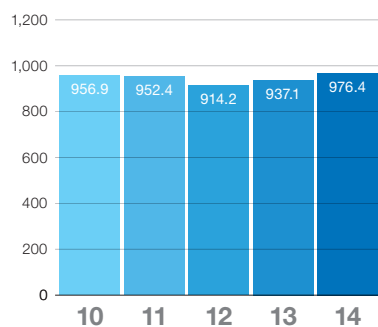
EBITDA

(¥ billion)



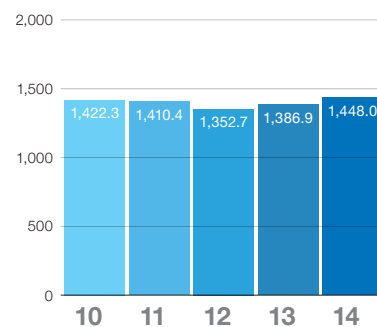
Total Net Assets

(¥ billion)



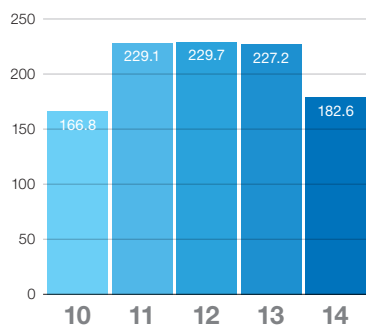
Net Assets per Share

(¥)



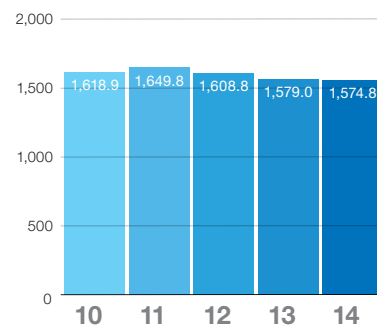
Interest-bearing Debt

(¥ billion)



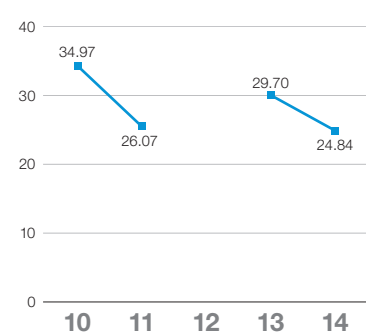
Total Assets

(¥ billion)



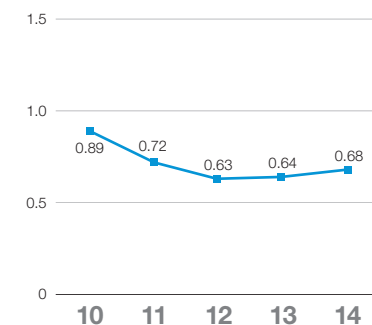
PER (Price Earnings Ratio)*

(times)



PBR (Price Book-value Ratio)

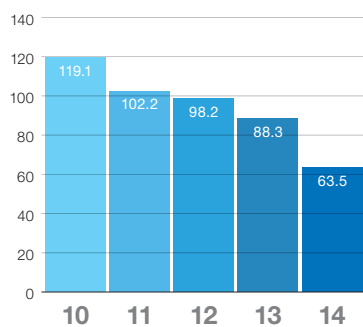
(times)



* Figure for the fiscal year through March 2012 is not shown because net loss was recorded for the year.

Capital Expenditures*

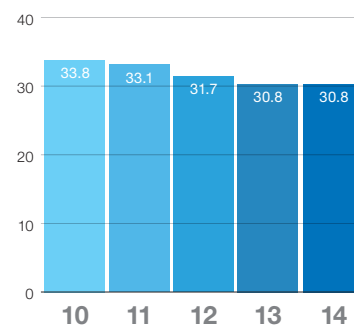
(¥ billion)



*Figures include capital expenditures for intangible fixed assets.

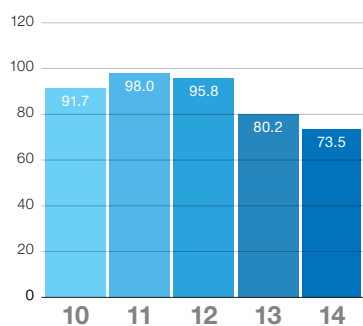
Research and Development Expenditures

(¥ billion)



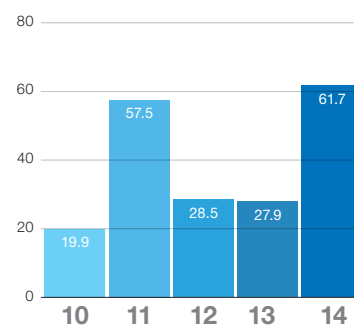
Depreciation Expense

(¥ billion)



Free Cash Flow*

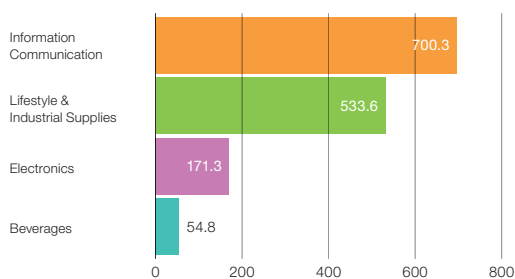
(¥ billion)



* Free cash flow = net cash from operating activities
– net cash from investing activities

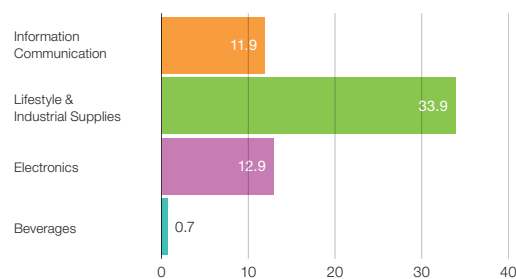
Net Sales by Segment (Year ended March 31, 2014)

(¥ billion)



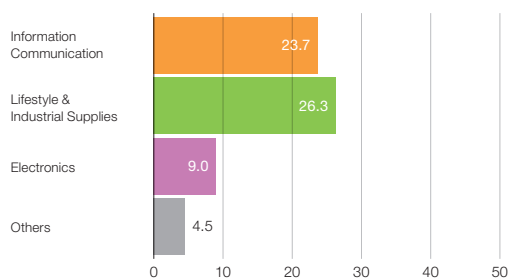
Operating Income by Segment (Year ended March 31, 2014)

(¥ billion)



Capital Expenditures by Segment (Year ended March 31, 2014)

(¥ billion)



Employees by Segment (Year ended March 31, 2014)

(persons)

