

February 9, 2017

For immediate release

Company Name: Dai Nippon Printing Co., Ltd.  
Stock Code: 7912 (TSE1)  
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### **Notification of Reorganization of ICT Business Promotion Structure through Company Split**

Dai Nippon Printing Co., Ltd. (DNP), at a meeting of its Board of Directors on February 9, 2017, resolved to reorganize the ICT (systems development and operation) business promotion structure within the DNP Group.

DNP will establish DNP Digital Solutions Co., Ltd. as a company split preparatory company in the middle of February 2017 (planned), and effective April 1, 2017, the preparatory company will take over the external customer systems development and operation divisions split off from DNP and its wholly owned subsidiaries DNP Information Systems Co., Ltd. and DNP Communication Design Co., Ltd.

DNP is disclosing this reorganization with some disclosure items and details omitted because the reorganization involves DNP and its wholly owned subsidiaries.

#### 1. Objective of the company split

DNP aims to increase competitiveness in the ICT business field by building a structure enabling the efficient use of personnel and other resources by consolidating and integrating the external customer systems development and operation divisions of DNP, DNP Information Systems, and DNP Communication Design at the company split preparatory company.

#### 2. Outline of the company split

##### (1) Schedule for the company split

Board of directors resolution for the company split	February 9, 2017
Planned conclusion date of the company split agreement	February 16, 2017
Planned date of the company split (effective date)	April 1, 2017

Note: DNP will conduct this company split without a resolution approving of the company split agreement by the general meeting of shareholders because it satisfies the

conditions for a simplified absorption-type company split set forth in Article 784, Clause 2 of the Companies Act.

(2) Method of the company split

Absorption-type company split in which DNP, DNP Information Systems, and DNP Communication Design are the splitting companies and DNP Digital Solutions (company split preparatory company) is the succeeding company

(3) Allocations related to the company split

No allocations of stock, cash, etc. as a result of this company split

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights related to the company split

Not applicable

(5) Capital decrease, etc. resulting from the company split

DNP's capital will not change as a result of this company split.

(6) Rights and obligations assumed by the succeeding company

The succeeding company in this company split will assume from the splitting companies certain assets that are required for the operations to be split and the contractual status with all business partners in relation to these operations.

(7) Expected fulfillment of obligations

The succeeding company in this company split believes there will be no problems in fulfilling obligations starting on the effective date of the company split.

3. Outline of the companies involved in this company split

	(As of September 30, 2016)
(1) Company name	Dai Nippon Printing Co., Ltd. (splitting company)
(2) Business details	Printing and other businesses
(3) Establishment date	January 19, 1894
(4) Head office address	1-1-1, Ichigaya-Kagacho, Shinjuku-ku, Tokyo
(5) Representative position and name	Yoshitoshi Kitajima, President
(6) Capital	114,464 million yen
(7) Shares outstanding	663,480,693 shares

(8)	Fiscal year-end date	March 31										
(9)	Number of employees	39,560 (consolidated)										
(10)	Major shareholders and equity stakes	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td> <td>7.18%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (Trust Account)</td> <td>5.25%</td> </tr> <tr> <td>The Dai-ichi Life Insurance Co., Ltd.</td> <td>4.65%</td> </tr> <tr> <td>Mizuho Bank, Ltd.</td> <td>2.78%</td> </tr> <tr> <td>Employees' Shareholding Association</td> <td>2.36%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (Trust Account)	7.18%	Japan Trustee Services Bank, Ltd. (Trust Account)	5.25%	The Dai-ichi Life Insurance Co., Ltd.	4.65%	Mizuho Bank, Ltd.	2.78%	Employees' Shareholding Association	2.36%
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Mizuho Bank, Ltd.	2.78%											
Employees' Shareholding Association	2.36%											
(11)	Financial conditions and operating results for the latest fiscal year	Fiscal year ended March 31, 2016 (consolidated)										
	Net assets	1,063,241 million yen										
	Total assets	1,718,636 million yen										
	Net assets per share	1,618.66 yen										
	Net sales	1,455,916 million yen										
	Operating income	45,471 million yen										
	Ordinary income	52,651 million yen										
	Net income	33,587 million yen										
	Net income per share	53.10 yen										

		(As of September 30, 2016)	(As of October 1, 2016)
(1)	Company name	DNP Information Systems Co., Ltd. (splitting company)	DNP Communication Design Co., Ltd. (splitting company) (Note)
(2)	Business details	Information systems planning, development, and other services	Planning, production, and other services for advertising materials, websites, and other items
(3)	Establishment date	December 1, 1998	September 1, 1982
(4)	Head office address	21, Ichigaya-Sanaicho, Shinjuku-ku, Tokyo	1-1-1, Ichigaya-Kagacho, Shinjuku-ku, Tokyo
(5)	Representative position and name	Koji Yoshifuku, President	Hiroshi Kawaguchi, President

(6)	Capital	100 million yen	100 million yen
(7)	Shares outstanding	11,600 shares	2,000 shares
(8)	Fiscal year-end date	March 31	March 31
(9)	Number of employees	869	1,561
(10)	Major shareholders and equity stakes	Dai Nippon Printing Co., Ltd. 100%	Dai Nippon Printing Co., Ltd. 100%
(11)	Financial conditions and operating results for the latest fiscal year	Fiscal year ended March 31, 2016 (non-consolidated)	Fiscal year ended March 31, 2016 (non-consolidated)
	Net assets	7,158 million yen	9,044 million yen
	Total assets	9,501 million yen	18,773 million yen
	Net assets per share	617,137.26 yen	4,522,246.87 yen
	Net sales	11,772 million yen	33,506 million yen
	Operating income	1,165 million yen	2,475 million yen
	Ordinary income	1,157 million yen	2,549 million yen
	Net income	835 million yen	1,696 million yen
	Net income per share	72,065.50 yen	848,103.70 yen

Note: DNP Communication Design was established on October 1, 2016 through an absorption-type merger in which DNP wholly owned subsidiary DNP Media Create Co., Ltd. as the surviving company absorbed the DNP wholly owned subsidiaries DNP Digitalcom Co., Ltd. and DNP AV Center Co., Ltd. as the discontinuing companies and then changed its name to DNP Communication Design. Also, financial conditions and operating results for the latest fiscal year are those of the surviving company.

(1)	Company name	DNP Digital Solutions Co., Ltd. (succeeding company)
(2)	Business details	Planning, design, development, maintenance, operation management, and other services for various information systems
(3)	Establishment date	Middle of February 2017 (planned)
(4)	Head office address	1-1-1, Ichigaya-Kagacho, Shinjuku-ku, Tokyo

(5)	Representative position and name	Yuichiro Fukuda, President
(6)	Capital	100 million yen
(7)	Shares outstanding	2,000 shares
(8)	Fiscal year-end date	March 31
(9)	Number of employees	900 (planned)
(10)	Major shareholders and equity stakes	Dai Nippon Printing Co., Ltd. 100%

#### 4. Outline of business division to be split

- Dai Nippon Printing Co., Ltd.

External customer systems development and operation division

Assets and liabilities to be split (expected on March 31, 2017)

Current assets	760 million yen
Fixed assets	80 million yen

- DNP Information Systems Co., Ltd.

External customer systems development and operation division

Assets and liabilities to be split (expected on March 31, 2017)

Current assets	1,170 million yen
Fixed assets	120 million yen

- DNP Communication Design Co., Ltd.

External customer systems development and operation division

Assets and liabilities to be split (expected on March 31, 2017)

Current assets	600 million yen
Fixed assets	290 million yen

Note: Operating results for the division to be split are not listed because this is a systems development and operation division and sales are difficult to calculate.

#### 5. Status of splitting companies and succeeding company after the company split

- DNP, DNP Information Systems, and DNP Communication Design (splitting companies)

No change in company name, head office address, positions and names of representative directors, business details, capital, and fiscal year

- DNP Digital Solutions Co., Ltd. (succeeding company)

No change in company name, head office address, positions and names of representative directors, business details, capital, and fiscal year

6. Future outlook

This reorganization will not affect DNP's consolidated earnings because DNP and wholly owned subsidiaries of DNP comprise all of the involved parties. The impact on non-consolidated earnings will also be minor.