

May 12, 2017

For immediate release

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Notification of Change in Number of Shares Per Share Unit, Share Consolidation, and Related Partial Amendment of the Articles of Incorporation

Dai Nippon Printing Co., Ltd. (DNP) announced today that its Board of Directors, at a meeting held on May 12, 2017, decided to partially amend the Articles of Incorporation in relation to a change in the number of shares per share unit based on Article 195, Paragraph 1 of the Companies Act, and to propose a share consolidation at the 123rd Ordinary General Meeting of Shareholders scheduled for June 29, 2017.

1. Change in number of shares per share unit

(1) Reasons for change

Stock exchanges across Japan aim to standardize the trading unit for all domestically listed companies at 100 shares by October 1, 2018, based on the Action Plan for Consolidating Trading Units.

DNP is listed on the Tokyo Stock Exchange, and in consideration of this objective, will change the number of shares per share unit from 1,000 shares to 100 shares, in accordance with provisions in the Companies Act.

(2) Details of change

DNP will change the number of shares of common stock per share unit from 1,000 shares to 100 shares.

(3) Planned date of change
October 1, 2017

(4) Conditions for change

This change is subject to approval of a proposal related to the section below, "2. Share consolidation," as originally proposed at the 123rd Ordinary General Meeting of Shareholders.

Partial amendment of the Articles of Incorporation will be effected by resolution of the Board of Directors, in accordance with provisions in the Companies Act.

2. Share consolidation

(1) Objective of share consolidation

As cited above in "1. Change in number of shares per share unit," in line with a change in the number of shares of common stock per share unit, DNP will implement a share consolidation in which two shares are consolidated into one share to achieve an investment unit level that is preferred by stock exchanges (between ¥50,000 and ¥500,000) after the change in the number of shares per share unit, while considering medium- to long-term changes in the stock price.

(2) Details of share consolidation

▪ Class of stock subject to share consolidation

Common stock

▪ Method and ratio of share consolidation

For shares owned by shareholders listed in the final shareholder registry on September 30, 2017, every two shares will be consolidated into one share on October 1, 2017.

▪ Decrease in shares from share consolidation

Shares outstanding before share consolidation (as of March 31, 2017)	663,480,693
Decrease in shares from share consolidation	331,740,347
Shares outstanding after share consolidation	331,740,346

The decrease in shares from the share consolidation is a theoretical value calculated by multiplying the total number of shares outstanding before the share consolidation by the share consolidation ratio.

- Impact of share consolidation

The share consolidation will decrease the total number of shares outstanding by half, but as net assets and other items will not change, the amount of net assets per share will double, and the asset value of DNP's stock will not change, apart from other factors such as changes in the stock market.

(3) Decrease in shareholders from share consolidation

The shareholder composition based on the shareholder registry as of March 31, 2017 is as follows.

Shares owned	Shareholders (ratio)	Shares owned (ratio)
Total shareholders	27,631 (100.0%)	663,480,693 (100.0%)
Below two shares	478 (1.7%)	478 (0.0%)
Above two shares	27,153 (98.3%)	663,480,215 (100.0%)

In the case of share consolidation assuming the above shareholder composition, the 478 shareholders who own less than two shares of stock (these shareholders own a total of 478 shares) will lose their status as shareholders, but will be able to use procedures for purchasing odd-lot shares or selling odd-lot shares before the share consolidation takes effect. Inquiries about the specific procedures should be directed toward the shareholder's securities company or to DNP's shareholder registry administrator if the shareholder does not have an account at a securities company.

(4) Handling of fractional shares less than one share

If the share consolidation results in ownership of fractional shares less than one share, DNP will sell all of the fractional shares and distribute the proceeds to shareholders who owned fractional shares according to their fractional ratios, based on provisions in the Companies Act.

(5) Total number of authorized shares on effective date

To keep the total number of authorized shares at an appropriate level following the decrease in the total number of shares outstanding due to the share consolidation, DNP will decrease the total number of authorized shares at the same ratio as the share consolidation (one-half) effective on October 1, 2017. As a result of the share consolidation, the Articles of Incorporation will be deemed amended in relation to the

total number of authorized shares on October 1, 2017, the effective date of the share consolidation, based on provisions in Article 182, Paragraph 2 of the Companies Act.

Authorized shares before change	Authorized shares after change (as of October 1, 2017)
1,490,000,000	745,000,000

(6) Conditions for share consolidation

This share consolidation is subject to approval of a proposal related to the share consolidation as originally proposed at the 123rd Ordinary General Meeting of Shareholders.

3. Partial amendment of Articles of Incorporation

(1) Objective of amendment

DNP will change the number of shares per share unit from 1,000 shares to 100 shares as cited above in "1. (1) Reasons for change," implement a share consolidation as cited above in "2. (1) Objective of share consolidation," and amend Article 7 (number of shares per share unit) and Article 5 (total number of authorized shares) in the current Articles of Incorporation to reduce the total number of authorized shares according to the share consolidation ratio.

(2) Details of amendment

Amendment details are as follows.

(Underlined sections indicate amendments.)

Current Articles of Incorporation	Amended Articles of Incorporation
(Total number of authorized shares) Article 5 The Company's total number of authorized shares is <u>1,490,000,000 shares.</u>	(Total number of authorized shares) Article 5 The Company's total number of authorized shares is <u>745,000,000 shares.</u>
(Number of shares per share unit) Article 7 The Company's number of shares per share unit is <u>1,000 shares.</u>	(Number of shares per share unit) Article 7 The Company's number of shares per share unit is <u>100 shares.</u>

(3) Conditions for amendment

This amendment is subject to approval of a proposal related to the above section, "2. Share consolidation," as originally proposed at the 123rd Ordinary General Meeting of Shareholders.

4. Schedule for change in number of shares per share unit, share consolidation, and related partial amendment of the Articles of Incorporation

May 12, 2017	Date of resolution by the Board of Directors
June 29, 2017 (scheduled)	Date of the Ordinary General Meeting of Shareholders
October 1, 2017 (scheduled)	Effective date of the change in the number of shares per share unit, share consolidation, and related partial amendment of the Articles of Incorporation
Early December 2017	Payment of proceeds from sale of fractional shares

Note: The effective date for the change in the number of shares per share unit and the share consolidation is scheduled for October 1, 2017 as noted above, but due to matters related to transfer procedures after stock trading, the trading unit on the Tokyo Stock Exchange will change from 1,000 shares to 100 shares on September 27, 2017.

[Attached document]

Reference: Q&A related to change in number of shares per share unit and share consolidation

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Q1. What is a change in the number of shares per share unit?

A change in the number of shares per share unit involves a change in the unit for voting rights at the general meeting of shareholders and a change in the number of shares constituting a trading unit on stock exchanges. DNP will change the number of shares per share unit from 1,000 shares to 100 shares.

Q2. What is a share consolidation?

A share consolidation is a process by which multiple shares are combined to reduce the number of shares. DNP will consolidate two shares into one share.

Q3. What is the purpose of the change in the number of shares per share unit and share consolidation?

Stock exchanges across Japan announced the Action Plan for Consolidating Trading Units and aim to standardize the trading unit for all domestically listed companies at 100 shares by October 1, 2018. DNP is listed on the Tokyo Stock Exchange, and in consideration of this objective, will change the number of shares per share unit, which serves as the trading unit for its stock, to 100 shares.

In addition, DNP will implement a share consolidation in which two shares are consolidated into one share to achieve an investment unit level that is preferred by stock exchanges (between ¥50,000 and ¥500,000) after the change in the number of shares per share unit, while considering medium- to long-term changes in the stock price.

Q4. Please explain the handling of fractional shares less than one share after the share consolidation.

DNP will sell all fractional shares and distribute the proceeds to shareholders who owned fractional shares according to their fractional ratios. DNP plans to provide guidelines about the amount it will pay and the payment procedures in December 2017.

Q5. The number of shares owned will decrease as a result of the share consolidation, but will this have any impact on asset value?

The share consolidation will decrease the number of shares owned by shareholders by half, but because the company's assets and capital before and after the share consolidation will not change, asset value per share will double. Accordingly, the asset value of DNP stock owned by shareholders will not be affected, apart from other factors such as stock market changes.

Q6. The number of shares owned will decrease as a result of the share consolidation, but will this have any impact on dividends received?

The share consolidation will decrease the number of shares owned by shareholders by half, but because DNP plans to consider the share consolidation ratio (two shares into one) when setting dividends per share after the effective date of the share consolidation, the total amount of dividends received by shareholders should not change as a result of the share consolidation, apart from other factors such as changes in earnings performance. However, fractional shares (less than one share) resulting from the share consolidation will not be eligible for dividends.

Q7. What procedures are required of shareholders?

No advanced procedures are required.

[Inquiries]

For any points that are unclear, shareholders should contact their securities company or the following shareholder registry administrator.

Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department

Tel: 0120-288-324 (toll free in Japan)

Office hours: Monday-Friday 9 am-5 pm