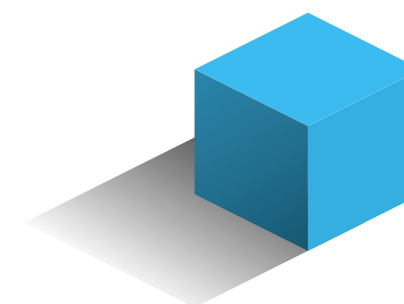
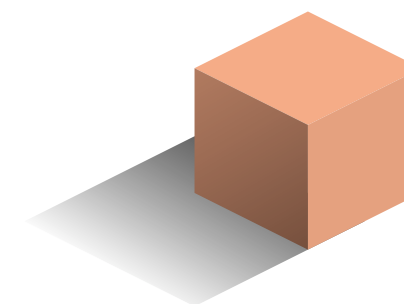
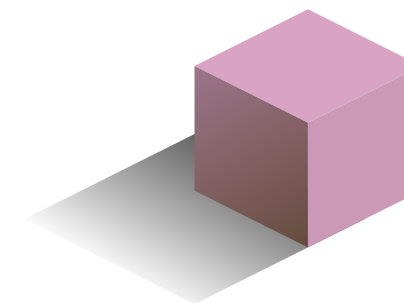
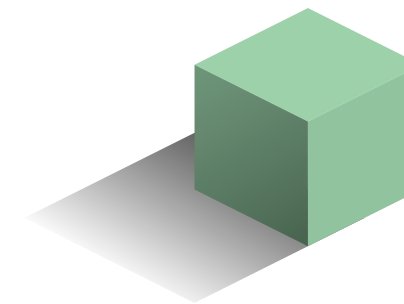
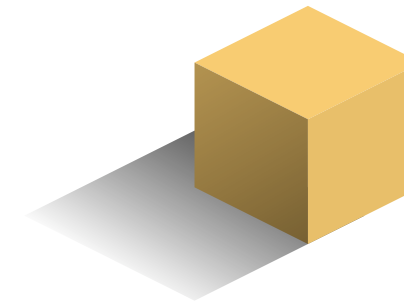


# TOPPAN



Mid-year Fiscal Results for 2005

*2005.11.25*



# I. Consolidated Highlights

## 1 Statement of Income Data

	September 2002		September 2003		September 2004		September 2005	
	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
<b>Net sales</b>	100.0 613,121	-4.1 ▲26,535	100.0 619,976	1.1 6,855	100.0 699,006	12.7 79,030	100.0 732,853	4.8 33,847
<b>Operating income</b>	4.6 28,008	-6.5 ▲1,959	3.8 23,483	-16.2 ▲4,525	6.2 43,280	84.3 19,797	5.1 37,591	-13.1 ▲5,689
<b>Ordinary income</b>	4.8 29,590	1.0 287	4.0 24,467	-17.3 ▲5,123	6.5 45,494	85.9 21,027	5.8 42,222	-7.2 ▲3,272
<b>Net income</b>	2.2 13,573	12.7 1,526	1.9 12,044	-11.3 ▲1,529	2.8 19,472	61.7 7,428	-1.4 ▲10,542	- ▲30,014

		September 2002		September 2003		September 2004		September 2005	
		% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
<b>Information &amp; Networks</b>	Net sales	362,384	-5.8 ▲22,351	360,596	-0.5 ▲1,788	376,675	4.5 16,079	399,346	6.0 22,671
	Operating income	5.4 19,696	-19.9 ▲4,902	6.3 22,584	14.7 2,888	5.8 21,942	-2.8 ▲642	6.5 26,089	18.9 4,147
<b>Living Environment</b>	Net sales	179,231	-2.9 ▲5,446	178,313	-0.5 ▲918	191,208	7.2 12,895	195,382	2.2 4,174
	Operating income	3.5 6,221	9.8 555	4.1 7,395	18.9 1,174	4.3 8,156	10.3 761	4.9 9,548	17.1 1,392
<b>Electronics</b>	Net sales	88,719	2.2 1,909	100,745	13.6 12,026	152,399	51.3 51,654	162,211	6.4 9,812
	Operating income	12.6 11,190	33.5 2,807	3.1 3,085	-72.4 ▲8,105	15.3 23,253	653.6 20,168	7.6 12,365	-46.8 ▲10,888
<b>Elimination</b>	Net sales	▲17,214	▲647	▲19,679	▲2,465	▲21,275	▲1,596	▲24,086	▲2,811
	Operating income	▲9,100	▲420	▲9,582	▲482	▲10,071	▲489	▲10,412	▲341
<b>Consolidated</b>	Net sales	613,121	-4.1 ▲26,535	619,976	1.1 6,855	699,006	12.7 79,030	732,853	4.8 33,847
	Operating income	4.6 28,008	-6.5 ▲1,959	3.8 23,483	-16.2 ▲4,525	6.2 43,280	84.3 19,797	5.1 37,591	-13.1 ▲5,689
	Ordinary income	4.8 29,590	1.0 287	4.0 24,467	-17.3 ▲5,123	6.5 45,494	85.9 21,027	5.8 42,222	-7.2 ▲3,272
	Net income	2.2 13,573	12.7 1,526	1.9 12,044	-11.3 ▲1,529	2.8 19,472	61.7 7,428	-1.4 ▲10,542	- ▲30,014

### Overview of the six-month period ended September 2005

In the Information & Networks field, the securities and cards sector recorded higher sales of IC cards, including retail-related and transport-related products. Solid demand was registered by cash cards and by passport-related products for overseas countries. We also recorded favorable results in the provision of contract services for secure information management and financial industry reorganization related services. In Commercial Printing, we recorded higher sales of pamphlets for the retail industry, mail order flyers, and promotional materials for beverage industry sales campaigns. However, sales of gift-related products and mail order catalogs declined. In Publications Printing, magazine sales rose, as we obtained orders for new magazines and secured an increase in orders for free papers. In books, sales declined following the best-seller-driven sales of the previous year. The Production Operations Division, established through the integration of the printing systems of the Commercial Printing and Publications Printing divisions, took steps to expand internal production and to optimize production through cooperation among product types and processes, and worked to reduce costs. In business forms, in response to privacy-related needs, such as those stemming from the regulation of the handling of personal information, DPS and business forms each recorded a strong performance.

In the Living Environment field, the packaging segment recorded higher sales of environment friendly products, such as Cartocan, and

flexible packaging materials, such as GL film and shrink film. Paper containers also recorded solid sales. The July merger of the Industrial Materials Division and Toppan Cosmo, Inc., was aimed at the efficient utilization of management resources and the further enhancement of our ability to respond to the market through the integration of planning, production, and sales. Through the combination of the Industrial Materials Division's strengths as a manufacturer and Toppan Cosmo, Inc.'s strengths as a trading company, such as its marketing network, secondary processing capabilities and overseas procurement network, we have established a system that can respond promptly to customer needs. Despite declining demand in the key market of privately owned, detached housing, sales of environment friendly Toppan Ecosheet and original-brand 101 Series products were favorable.

In Electronics, our photomask operations faced difficult conditions in the domestic market, but sales increased by a substantial margin due to the acquisition of Toppan Photomasks, Inc., from DuPont, of the United States. In color filters, strong sales were registered by large panels for personal computers and LCD TVs, and by small and medium-sized panels for such products as cellular phones. However due to declining prices, profits decreased. Sales of high-precision screens for rear projection TVs declined due to ongoing inventory adjustments throughout the market.

## 2 Statement of Income Data Estimated

	March 2003		March 2004		March 2005		March 2006 (Estimated)	
	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
<b>Net sales</b>	100.0 1,251,605	-3.4 ▲44,590	100.0 1,297,357	3.7 45,752	100.0 1,413,580	9.0 116,223	100.0 1,500,000	6.1 86,420
<b>Operating income</b>	4.1 51,168	-19.9 ▲12,679	4.8 61,956	21.1 10,788	6.2 86,938	40.3 24,982	5.8 87,000	0.1 62
<b>Ordinary income</b>	4.1 50,739	-20.2 ▲12,857	4.8 62,016	22.2 11,277	6.2 88,301	42.4 26,285	5.9 89,000	0.8 699
<b>Net income</b>	2.3 29,125	4.6 1,278	2.4 31,229	7.2 2,104	2.9 40,574	29.9 9,345	0.8 12,000	-70.4 ▲28,574

## 3 Segment Estimated

		March 2003		March 2004		March 2005		March 2006 (Estimated)	
		% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
<b>Information &amp; Networks</b>	Net sales	749,040	-5.1 ▲40,010	749,944	0.1 904	782,676	4.4 32,732	817,900	4.5 35,224
	Operating income	6.0 44,886	-14.9 ▲7,837	6.6 49,386	10.0 4,500	6.3 48,936	-0.9 ▲450	7.6 62,300	27.3 13,364
<b>Living Environment</b>	Net sales	357,290	-2.2 ▲8,006	359,753	0.7 2,463	385,000	7.0 25,247	392,500	1.9 7,500
	Operating income	3.6 12,774	11.5 1,317	4.2 15,144	18.6 2,370	4.5 17,268	14.0 2,124	5.5 21,500	24.5 4,232
<b>Electronics</b>	Net sales	182,785	3.8 6,636	229,387	25.5 46,602	291,113	26.9 61,726	340,600	17.0 49,487
	Operating income	6.5 11,818	-31.5 ▲5,433	7.2 16,490	39.5 4,672	13.7 39,821	141.5 23,331	7.3 24,900	-37.5 ▲14,921
<b>Elimination</b>	Net sales	▲37,509	▲3,209	▲41,728	▲4,219	▲45,210	▲3,482	▲51,000	▲5,790
	Operating income	▲18,310	▲725	▲19,065	▲755	▲19,088	▲23	▲21,700	▲2,612
<b>Consolidated</b>	Net sales	1,251,605	-3.4 ▲44,590	1,297,357	3.7 45,752	1,413,580	9.0 116,223	1,500,000	6.1 86,420
	Operating income	4.1 51,168	-19.9 ▲12,679	4.8 61,956	21.1 10,788	6.2 86,938	40.3 24,982	5.8 87,000	0.1 62
	Ordinary income	4.1 50,739	-20.2 ▲12,857	4.8 62,016	22.2 11,277	6.2 88,301	42.4 26,285	5.9 89,000	0.8 699
	Net income	2.3 29,125	4.6 1,278	2.4 31,229	7.2 2,104	2.9 40,574	29.9 9,345	0.8 12,000	-70.4 ▲28,574

		March 2006 (Estimated)						
		former half of the fiscal year			latter half of the fiscal year (Estimated)		total of the fiscal year (Estimated)	
		% millions of yen	change to previous year % millions of yen	% millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
<b>Information &amp; Networks</b>	Net sales	399,346	6.0 22,671	418,554	3.1 12,553	817,900	4.5 35,224	
	Operating income	6.5 26,089	18.9 4,147	8.7 36,211	34.1 9,217	7.6 62,300	27.3 13,364	
<b>Living Environment</b>	Net sales	195,382	2.2 4,174	197,118	1.7 3,326	392,500	1.9 7,500	
	Operating income	4.9 9,548	17.1 1,392	6.1 11,952	31.2 2,840	5.5 21,500	24.5 4,232	
<b>Electronics</b>	Net sales	162,211	6.4 9,812	178,389	28.6 39,675	340,600	17.0 49,487	
	Operating income	7.6 12,365	-46.8 ▲10,888	7.0 12,535	-24.3 ▲4,033	7.3 24,900	-37.5 ▲14,921	
<b>Elimination</b>	Net sales	▲24,086	▲2,811	▲26,914	▲2,979	▲51,000	▲5,790	
	Operating income	▲10,412	▲341	▲11,288	▲2,271	▲21,700	▲2,612	
<b>Consolidated</b>	Net sales	732,853	4.8 33,847	767,147	7.4 52,573	1,500,000	6.1 86,420	
	Operating income	5.1 37,591	-13.1 ▲5,689	6.4 49,409	13.2 5,751	5.8 87,000	0.1 62	
	Ordinary income	5.8 42,222	-7.2 ▲3,272	6.1 46,778	9.3 3,971	5.9 89,000	0.8 699	
	Net income	-1.4 ▲10,542	- ▲30,014	2.9 22,542	6.8 1,440	0.8 12,000	-70.4 ▲28,574	

## 4 Operational Plan for Year Ending March 2006

### Information & Networks

Although domestic economic conditions are improving, publications markets are sluggish, and while spending on advertising is increasing, prices continue to decline. Market conditions remain challenging.

- **Our secure information related business** is making strong progress. In response to increase in demand for IC cash cards and transport-related IC cards, we will enhance production facilities and aim to record further growth. Demand from countries overseas for such products as electronic passports and holograms is expected to increase. In efforts targeting not only the financial services industry but also all other industries as well, we will further reinforce our products and services and aggressively work to meet demand.
- **In IC tag production and sales**, we will leverage tie-ups with Toppan Forms Co., Ltd., and other group companies and work to expand our business, centered on such fields as asset/product control, location management, and security management.
- **In Commercial Printing**, we will provide customers with the optimal combinations of media, systems, and frameworks to build stronger relationships. To that end, we will enhance our total solution proposals. As one facet of those activities, in July 2005 we combined and integrated marketing, design, production, and IT development and bolstered the Toppan Idea Center organization. In this way, we have strengthened our ability to secure integrated orders. Moreover, we will strive to assist in the rationalization of the operations of our customers with the GAMEDIOS product information database, Network Publishing Service, and computer graphics applications. In addition we will work to secure increased orders for flyers, catalogs, and sales promotion tools. Also, through the fusion of multiple media types, from the Internet, for example the Paraly catalog department store and the Shufoo! flyer site, to truck advertising, we will offer effective sales promotion techniques.
- **In Publications Printing**, through use of digital technologies and stable quality, we will work to secure orders for new magazines and for comics. In books, we will aggressively work to secure orders for small lot products, and we will continue to devote resources to securing orders for free papers. Moreover, we will expand alliances using publishing content and bolster advertising agency operations targeting magazines using our nationwide network.
- **In October 2005, in conjunction with Amazon Japan**

**Co., Ltd., we conducted test distribution of a preliminary version of Japan's first free DVD-codeNEO.** This free Internet-linked DVD incorporated an unprecedented advertising revenue model based on direct links to persuasion/purchase results. It features three types of advertising—paper, visual, and banner—making it possible for the advertiser to implement an integrated approach to users, from product recognition to explanation and purchase persuasion using e-commerce techniques. We will publish the inaugural issue in the future following analysis of the test results.

- **With the Production Operations Sub-division, which resulted from the integration of the manufacturing sector of the Commercial Printing and Publications Printing Divisions**, we will continue working to bolster internal consistency in production and raise utilization rates. In addition, the nationwide integration of prepress sector, which has been underway since 2003, was completed in July. We have built a system that can improve, on a national level, quality stability and utilization rates. Furthermore, we will aggressively reorganize our production bases and strive to reduce our costs.

### Living Environment

In living environment related markets, such as food, toiletries, pharmaceuticals, and construction, needs for safety, credibility and quality are increasing, and new markets are expected to develop.

- **In Packaging**, we will strive to increase sales of environmentally friendly products developed in-house. By expanding the GL film product lineup and bolstering our film sales system, we will strategically expand our market share. We will work to boost sales of Cartocan products in the health food and functional beverage markets. We will also work to expand sales of developing, such as reagent containers for the pharmaceutical industry and solar battery back sheets for the electric machinery industry. At the same time, in flexible packaging and paper containers, we will move forward with product development that draws on universal design and functionality and strive for originality.
- **Higher petrochemical raw material prices, stemming from rising crude oil prices**, have a substantial influence on our operations. We will pass these increases through to selling prices and strive to minimize the effects of cost increases.
- **The Company will endeavor to leverage the synergistic effects resulting from the merger of the Interior Decor Materials Division and Toppan**

**Cosmo, Inc.** We will work to further expand sales of 101 Series and NaturArt products in the condominium, housing, and non-housing markets. Moreover, making use of the domestic and overseas procurement capabilities and the network of the former Toppan Cosmo, Inc., we will emphasize marketing that is closely linked to customers.

### Electronics

Conditions in the semiconductor industry are exceeding initial expectations. In displays, especially LCDs, there is an easing of demand-supply conditions, but demand for Toppan's color filters, including both large-sized products and small- and medium-sized products, is expected to remain favorable.

- **In photomasks**, joint development with IBM of 45nm devices is proceeding as planned, and we are also proceeding with joint development of advanced masks with other leading semiconductor makers. This joint research is also having a positive effect on our work with 65nm devices. Activities targeting the demonstration of synergies with Toppan Photomasks, Inc., are proceeding favorably, and in the future, we will take an aggressive approach to the global development of our photomask operations.
- **In color filters**, production of the sixth-generation line (panel size: 1500mm x 1850mm) that was brought onstream in July at a subsidiary in Taiwan is making a contribution to our performance. In addition, we have bolstered our cost competitiveness through higher productivity on all lines, and at the Niigata Plant, we will reinforce our ability to meet growth in demand for small and medium-sized panels for mobile devices. In high-precision screens for rear projection TVs, we will promote local procurement of raw materials at our U.S. subsidiary, and, to further bolster cost competitiveness, we will expand production using new methods.

### Personal Services

In an environment marked by the increasing prevalence of households with broadband Internet access and the growing use of cellular phones, we will work aggressively to expand our presence in the content distribution market.

- **In our Bitway digital content distribution operations, which started in 1999**, we are recording high levels of sales with content publishing services for third-generation cellular phones, and our performance is improving. To ensure future competitiveness in markets that are recording ongoing growth, in October we used the corporate separation method to form an independent company. In the future, we will aggressively enhance cooperative relationships with cellular phone carriers

and content holders, and at the same time we will implement activities targeting content commercialization, such as acquisition of planning, development, and sales rights.

- **In Mapion Internet Map Search Services**, the number of customers is increasing due to the expansion of ASP (Active Server Pages) services for companies, such as CustomMapion. Also, to increase convenience for users, we are expanding services in such areas as free scroll functionality. Further, our map information service for cellular phones is available through three carriers, including NTT DoCoMo, Inc., and we continue to expand the number of members.

### Next-Generation Products

The Toppan Group is devoting resources to the development of new products for the purpose of creating new fields of business.

- **In the biotechnology market**, in cooperation with Shimadzu Corporation and RIKEN, an independent administrative institution, we achieved a world first with the development of a prototype unit of a reagent chip, all-in-one, full automatic SNP (single nucleotide polymorphism) analysis system. This unit makes it possible to conduct high-accuracy analysis in only one and a half hours. The SNP analysis chips used in this system were developed by Toppan. We succeeded in integrating multiple processes, including enzymatic reactions, onto one chip, thereby achieving reaction stability, excellent storage characteristics, small size, and simple operation as well as making possible increased detection accuracy and sensitivity. In fall 2006, we will offer this product for research applications, and we will subsequently commercialize it for use in clinical settings, such as hospitals and clinics.
- **We have made progress with the development of hydrogen sensors**, an essential part of fuel cells, and we have produced prototype products using Ball SAW sensors. We succeeded in shortening the response time to two seconds, the best level of performance in the world. In the future, we will accelerate commercialization and at the same time we will strive to develop odor sensors that can detect multiple odors.

## 5 Total Assets and Shareholders' Equity

	March 2003	March 2004	March 2005	March 2006 (Estimated)
	millions of yen	millions of yen	millions of yen	millions of yen
Information & Networks	576,586	581,247	598,824	642,400
Living Environment	263,922	270,807	298,260	308,200
Electronics	265,246	276,582	354,194	422,200
Elimination	211,698	332,668	232,198	289,400
Total assets	1,317,454	1,461,305	1,483,477	1,662,200
Shareholders' equity	715,438	740,481	768,245	781,200
Cash and cash equivalents	123,184	204,742	182,059	195,500
Debt with interest	136,294	239,209	205,008	296,300

Note 1: As of the end of September 2005, total assets were ¥1,599,979 million, shareholders' equity was ¥764,885 million, cash and cash equivalents were ¥163,944 million, and debt with interest was ¥261,457 million.

## 6 Capital Expenditures and Depreciation

	March 2003	March 2004	March 2005	March 2006 (Estimated)
	millions of yen	millions of yen	millions of yen	millions of yen
Information & Networks	24,081	19,802	12,444	22,400
Living Environment	12,284	13,573	20,457	16,800
Electronics	38,183	48,335	47,313	84,300
Elimination	8,762	3,397	6,409	6,500
Capital expenditures	83,312	85,108	86,625	130,000
Information & Networks	23,946	22,915	21,288	22,200
Living Environment	13,517	12,996	13,181	13,500
Electronics	25,369	26,663	32,100	40,600
Elimination	2,871	3,130	2,692	3,700
Depreciation	65,704	65,706	69,262	80,000

Note 1: In the interim period ended September 2005, capital expenditures were ¥64,092 million and depreciation was ¥35,824 million.

## 7 Cash Flows

	March 2003	March 2004	March 2005	March 2006	
				former half of the fiscal year	total of the fiscal year
	millions of yen	millions of yen	millions of yen	millions of yen	millions of yen
Cash flows from operating activities	97,902	92,331	111,624	67,685	127,200
Cash flows from investing activities	▲108,336	▲78,710	▲90,068	▲116,811	▲173,400
Cash flows from financing activities	▲23,422	82,718	▲54,860	39,282	67,900
Cash and cash equivalents at end of year	107,214	202,149	168,804	162,619	194,100

## 8 Research and Development Expenses

	March 2003	March 2004	March 2005	March 2006	
				former half of the fiscal year	total of the fiscal year
	millions of yen	millions of yen	millions of yen	millions of yen	(Estimated) millions of yen
Research and development Expenses	20,252	21,302	22,255	12,755	24,000

## 9 Number of Employees

	March 2003	March 2004	March 2005	March 2006
Number of employees	33,292	32,178	32,724	35,842

## 10 Management Index

	March 2003	March 2004	March 2005	March 2006	
				former half of the fiscal year	total of the fiscal year
					(Estimated)
Number of issued stocks (Thousands)	678,921	669,990	665,185	660,634	660,634
Net income per share (¥)	42.29	45.57	60.09	▲15.86	18.16
Shareholders' equity per share (¥)	1,053.22	1,104.62	1,154.21	1,157.80	1,182.50
Ordinary income to total assets (%)	3.8	4.5	6.0	5.5	5.7
Return on assets (%)	2.2	2.2	2.8	▲1.4	0.8
Return on shareholders' equity (%)	4.1	4.3	5.4	▲2.8	1.5
Shareholders' equity ratio (%)	54.3	50.7	51.8	47.8	47.0
Current ratio (%)	154.5	160.4	168.3	153.9	169.6

Note 1: The number of shares issued does not include treasury stock.

# II. Non-consolidated Highlights

## 1 Statement of Income Data

	September 2002		September 2003		September 2004		September 2005	
	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
Net sales	100.0 457,716	-4.0 ▲19,040	100.0 440,882	-3.7 ▲16,834	100.0 475,033	7.7 34,151	100.0 466,057	-1.9 ▲8,976
Operating income	3.7 17,041	2.4 396	2.9 12,659	-25.7 ▲4,382	3.9 18,329	44.8 5,670	4.1 19,286	5.2 957
Ordinary income	4.3 19,874	-0.8 ▲157	3.7 16,168	-18.6 ▲3,706	4.9 23,154	43.2 6,986	5.9 27,630	19.3 4,476
Net income	2.4 10,782	1.3 143	2.1 9,369	-13.1 ▲1,413	1.2 5,861	-37.4 ▲3,508	3.1 14,352	144.9 8,491

## 2 Statement of Income Data Estimated

	March 2003		March 2004		March 2005		March 2006 (Estimated)	
	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
Net sales	100.0 911,721	-5.1 ▲48,499	100.0 914,612	0.3 2,891	100.0 952,822	4.2 38,210	100.0 950,500	-0.2 ▲2,322
Operating income	3.4 31,000	-9.7 ▲3,335	3.3 30,022	-3.2 ▲978	4.2 39,931	33.0 9,909	3.8 36,000	-9.8 ▲3,931
Ordinary income	3.8 34,413	-16.4 ▲6,765	3.8 34,881	1.4 468	5.2 49,514	41.9 14,633	4.7 44,500	-10.1 ▲5,014
Net income	2.3 21,424	3.1 641	2.1 18,962	-11.5 ▲2,462	2.3 21,567	13.7 2,605	2.4 22,900	6.2 1,333

## March 2006 Estimated

	former half of the fiscal year		latter half of the fiscal year (Estimated)		total of the fiscal year (Estimated)	
	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen	% millions of yen	change to previous year % millions of yen
Net sales	100.0 466,057	-1.9 ▲8,976	100.0 484,443	1.4 6,654	100.0 950,500	-0.2 ▲2,322
Operating income	4.1 19,286	5.2 957	3.5 16,714	-22.6 ▲4,888	3.8 36,000	-9.8 ▲3,931
Ordinary income	5.9 27,630	19.3 4,476	3.5 16,870	-36.0 ▲9,490	4.7 44,500	-10.1 ▲5,014
Net income	3.1 14,352	144.9 8,491	1.8 8,548	-45.6 ▲7,158	2.4 22,900	6.2 1,333

## 3 Total Assets and Shareholders' Equity

	March 2003 millions of yen	March 2004 millions of yen	March 2005 millions of yen	March 2006	
				former half of the fiscal year millions of yen	total of the fiscal year (Estimated) millions of yen
Total assets	1,088,404	1,219,473	1,189,508	1,208,547	1,286,200
Shareholders' equity	664,471	679,114	685,870	695,748	698,200
Cash and cash equivalents	81,914	161,753	76,136	64,899	119,900
Debt with interest	116,152	216,006	183,224	184,058	240,000

## 4 Capital Expenditures and Depreciation

	March 2003 millions of yen	March 2004 millions of yen	March 2005 millions of yen	March 2006	
				former half of the fiscal year millions of yen	total of the fiscal year (Estimated) millions of yen
Capital expenditures	49,561	50,637	41,796	23,350	72,000
Depreciation	50,861	47,556	47,233	20,657	47,500

## 5 Research and Development Expenses

Research and development expenses	17,792	18,796	19,811	10,639	21,000
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## 6 Number of Employees

Number of employees	12,053	11,512	10,548	10,696	10,500
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## 7 Management Index

	March 2003	March 2004	March 2005	March 2006	
				former half of the fiscal year	total of the fiscal year (Estimated)
Number of issued stocks (Thousands)	680,815	671,893	667,091	662,541	662,541
Net income per share (¥)	31.25	27.72	31.96	21.53	34.56
Shareholders' equity per share (¥)	975.80	1,010.52	1,027.88	1,050.12	1,053.82
Ordinary income to total assets (%)	3.1	3.0	4.1	4.6	3.6
Return on assets (%)	1.9	1.6	1.8	2.4	1.8
Return on shareholders' equity (%)	3.2	2.8	3.2	4.2	3.3
Shareholders' equity ratio (%)	61.0	55.7	57.7	57.6	54.3
Current ratio (%)	149.9	155.5	146.6	139.9	150.4

## 8 Dividend

Dividends per share (¥)	16.0	17.0	19.0	9.5	19.0
Dividend ratio (%)	53.2	61.3	59.4	44.1	55.0

# III Toppan Group Overview

## Information & Networks

Toppan Printing Co., Ltd.  
Securities and Cards  
Commercial Printing  
Publications Printing

Toppan Forms Co., Ltd.  
● Tosho Printing Co., Ltd.  
● Tokyo Magnetic Printing Co., Ltd.  
● Hino Offset Printing Co., Ltd.

Froebel-kan Co., Ltd.  
Total Media Development Institute Co., Ltd.  
Toppan Travel Service Corp.  
Toppan Multisoft Ltd.  
Tokyo Shoseki Co., Ltd.  
● Toppan M&I Ltd.

Toppan Printing Co. (America), Inc.  
Toppan Printing Co. (H.K.) Ltd.  
Toppan Printing Co., (Shenzhen) Ltd.  
Toppan Printing Co., (Shanghai) Ltd.  
Toppan Printing Co. (Australia) Pty. Ltd.

Total: 100 companies

## Living Environment

Toppan Printing Co., Ltd.  
Packaging  
Industrial Materials

Toppan Label Co., Ltd.  
Tamapoly Co., Ltd.

Toppan Cosmo, Inc.  
Toppan Logistics Co., Ltd.  
● Toyo Ink Mfg. Co., Ltd.

PT Toppan Sampoerna Indonesia  
Siam Toppan Packaging Co., Ltd.  
Toppan Interamerica Inc.

Total: 37 companies

## Electronics

Toppan Printing Co., Ltd.  
Electronics

Toppan Technical Design Center Co., Ltd.  
NEC Toppan Circuit Solutions Co., Ltd.

Toppan Photomasks, Inc.  
Toppan Chunghwa Electronics Co., Ltd  
Toppan Electronics (Taiwan) Co., Ltd  
Toppan CFI (Taiwan) Co., Ltd.

Total: 36 companies

Total: 173 companies  
(as of September 30, 2005)

Note 1: No mark indicates subsidiaries: 149 companies

● Mark indicates affiliates: 24 companies  
(Major companies are listed.)

Note 2: The companies that handle the products and services in Personal Services and Next-Generation Products are included in the three segments above.

## Overview of Major Subsidiaries

### Toppan Forms Co., Ltd.

President and Representative Director: Masanori Akiyama

Paid-in capital: ¥11,750 million Millions of yen

	Six months ended September 2004	Six months ended September 2005
Net sales	97,116	103,417
Ordinary income	6,857	8,161
Net income	3,818	4,456

### Toppan Label Co., Ltd.

President and Representative Director: Kouji Sato

Paid-in capital: ¥1,000 million Millions of yen

	Six months ended September 2004	Six months ended September 2005
Net sales	8,977	10,131
Ordinary income	655	416
Net income	377	224

### Toppan Cosmo, Inc.

President and Representative Director: Tatsuo Takizawa

Paid-in capital: ¥1,000 million Millions of yen

	Six months ended September 2004	Six months ended September 2005
Net sales	35,440	41,321
Ordinary income	531	595
Net income	291	307

### Tamapoly Co., Ltd.

President and Representative Director: Yasuo Matsuki

Paid-in capital: ¥472 million Millions of yen

	Six months ended September 2004	Six months ended September 2005
Net sales	8,612	8,743
Ordinary income	754	434
Net income	435	249

### Froebel-kan Co., Ltd.

President and Representative Director: Mamoru Kitabayashi

Paid-in capital: ¥50 million Millions of yen

	Six months ended September 2004	Six months ended September 2005
Net sales	5,397	5,205
Ordinary income	25	30
Net income	14	0

The forecasts in these materials are based upon projections regarding economic conditions, market trends, and other factors as of the date of issue of these materials. Actual results may differ from these forecasts for a variety of reasons.