



Toppan's Consolidated Sample Book Production System

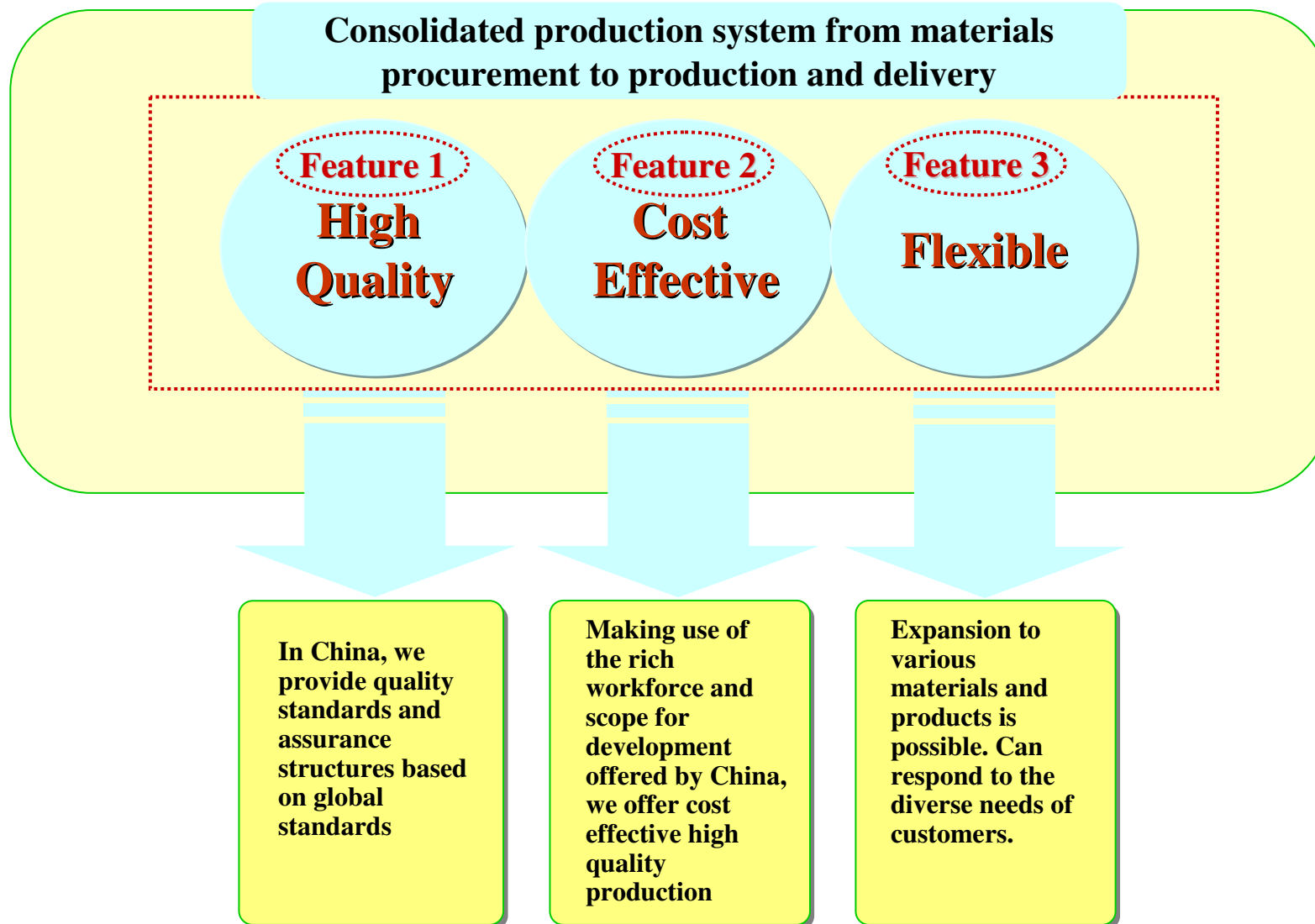
A consolidated production system from material procurement to production and delivery

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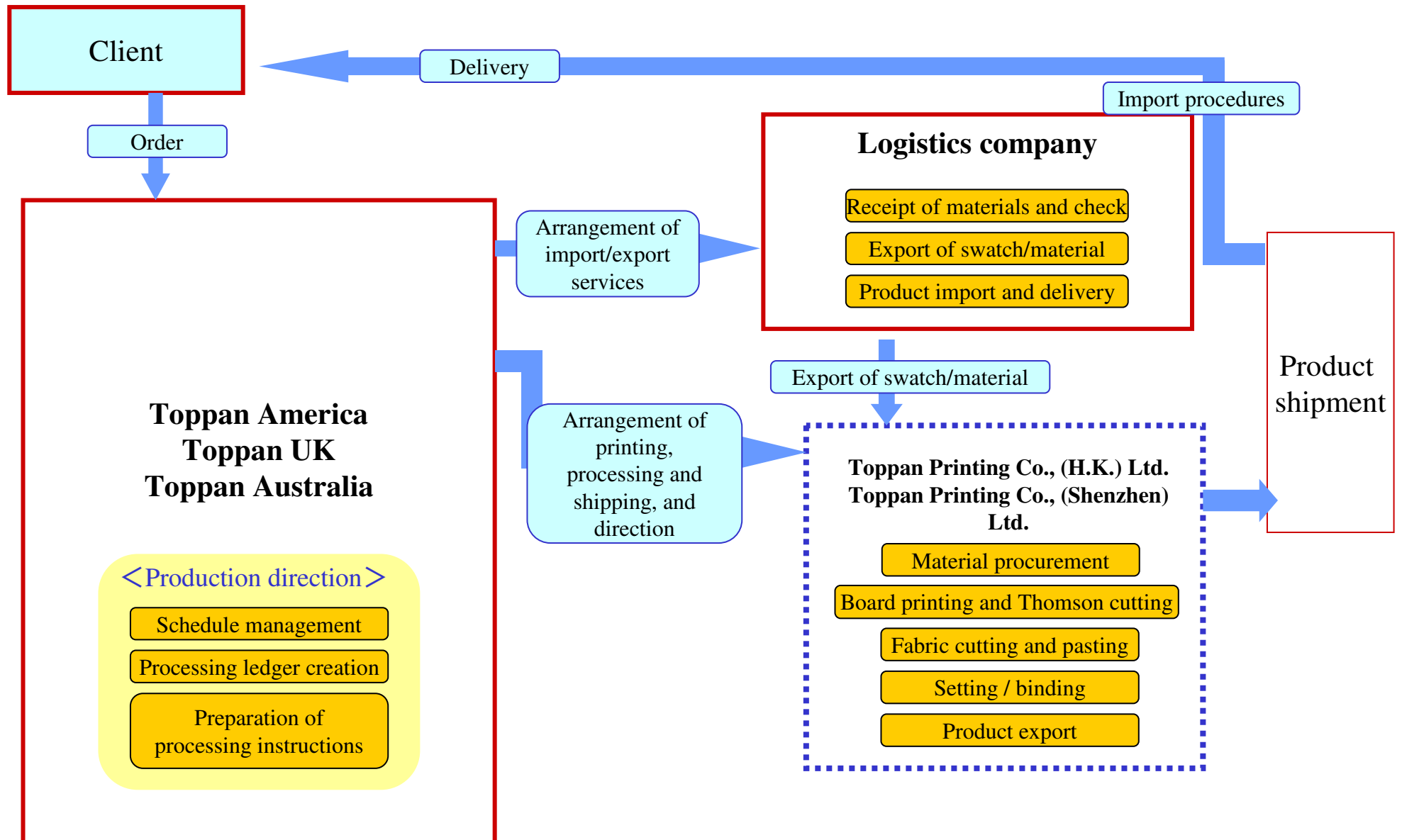


1. The 3 special features of Toppan’s consolidated sample book production system

Consolidated production by our plants in China based on quality standards and assurance structures developed in Japan. We provide a seamless and total production system from procurement of materials to production and delivery.



2-(1) Overall flow of sample book creation and overseas production



● Sample book production process flow: Shenzhen Plant's Total Quality Assurance through detailed checks between each process

Material



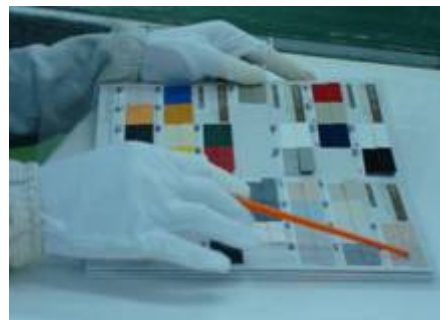
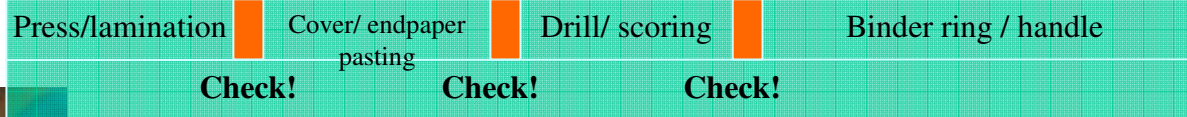
Text body



Swatch pasting



Cover



 = Check process

Assembly



● Material procurement in China is possible

The Guangdong province area is extremely convenient for the procurement of materials. Material procurement for the Shenzhen Plant is performed in this area, and procurement of materials that were previously imported from Japan and other countries entailing transport costs is widely carried out in China, meaning savings in terms of both time and cost.



Paper

In addition to coated paper and woodfree paper, it is also possible to procure Chinese-made items such as cardboard including art card and coated ivory used for items such as book covers and the paper board for sample books. The level of quality has been enhanced and the volume used is increasing every year.



Materials

Now it is also widely possible to procure Chinese-made items for the necessary parts required for large sample books such as metal parts, binders, and molded parts for handles. Please consult us about the use of special parts.



Other items

Please consult with us in advance if there is an item that you want procured in China. We will provide advice on the best route by which to procure materials.

**High
Quality**

Offering the best quality in the world with globally unified quality standards and assurance structures. A detailed checking system centered on the quality control center.

Sample books can require the handling of hundreds of materials and parts. In order to prevent errors such as mixing and mistakes in pasting, we have introduced a detailed system of checks between manufacturing processes.

Example of the checking system

After the material is received, the quantity and material number is checked and recorded, and materials are stored after being separated by page.

To prevent mistakes in the direction of grains, before trimming, the printing sheet is laid under the fabric.



High
Quality

Example of the checking system

To prevent misalignment, a guide-frame is placed on the printed page when pasting to ensure the position of the sample is correct.

After pasting, a check of the position of the sample edges is performed by placing a clear plastic sheet with the samples pasted on it over the page.

After attachment to the binder, a check is performed by comparing finished items 2 at a time, and the book is checked for page order, pasting errors, peeling and dirt.



5. Feature 3: Cost effective production structure

TOPPAN

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**Cost
Effective**

Using the high quality workforce of the southern China region. Consolidated production is performed at the Shenzhen Plant and Toppan Excel , specialist plants for hand processing carried out by staff fully trained in Toppan's quality standards.

While maintaining quality control structures and systems based on global standards, we offer high-quality production that is cost effective and highly expandable through the use of China's rich workforce.

The Toppan Shenzhen Plant was established in 1992. It is a specialist plant for hand processed items such as sample books and pop-up.



Toppan Excel can function as a back-up plant to complement the Toppan Shenzhen Plant.

Toppan Excel:

A specialist plant for hand processing that boasts the largest scale in the world for such a facility. It is part of the Toppan Leefung Group (formerly SNP) that was acquired in July 2008.



● **Shenzhen Plant has a strong track record in producing a wealth of hand processed items such as sample books**



● **Toppan Printing Co., (Shenzhen) Ltd.**

Location: Shenzhen, Guangdong Province

Established: 1993

No. of employees: approx. 1,800

Site area: 43,000m²

Items handled: Publications printing (casebound books), calendars, product packaging, greeting cards, picture books, in-store POP, sample books

Accreditations: ISO 9001, ISO 14000, FSC CoC, ICTI

● In July 2008 Toppan acquired SNP Corporation Limited, a leading Singapore printer that operates in China, Singapore and Thailand. It is possible to use Toppan Excel, a world-leading specialist in hand processing, as a back-up plant to complement the Shenzhen Plant.

● **Toppan Excel Printing (Guangzhou) Co., Ltd.**

Location: China

Established: 1994

No. of employees: approx. 4,000

Site area: Land - 68,516m²; floor space – approx. 56,213m²



● **Toppan Excel Printing (Thailand) Co., Ltd.**

Location: Chanthaburi, Thailand

Established: 1993

No. of employees: approx. 2000

Site area: Land -68,524m²; floor space approx. 16,580m²



● Plant equipment information

Department	Equipment		Shenzhen	Excel
Printing	Offset sheet-fed printing (Komori, Mitsubishi, Roland, Heidelberg)	2 color printing	1	0
		4 color printing	7	6
		5 color printing	3	3
		6 color printing	1	1
		Double sided 2+2	1	0
		Double sided 4+4	2	0
Binding	Saddle stitching machines		2	0
	Perfect binding machines		1	0
	Case binding machines		4	1
	Sewing machines		10	3
	Notebook production line		1	0
Paper containers	Fully automated cutting (Iijima, Sugano, Tokyo Wenhong, Nikko)		3	4
	Semi-automated cutting (Chinese -made)		6	28
Hand processing	Swatch pasting machine	Fully-automated	4	0
		Semi-automated	35	0
	Riveting machine		2	0
	Personnel		1,000	4,000

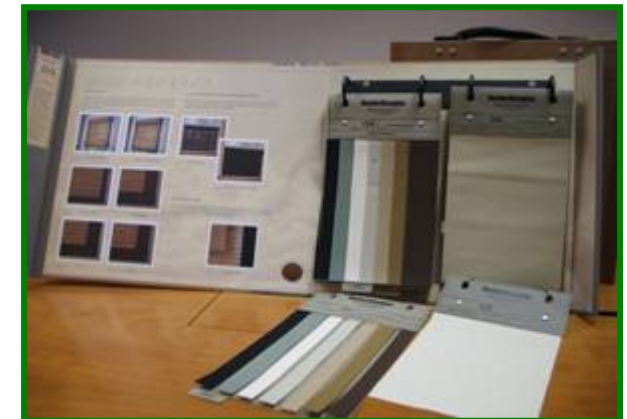
6. Feature 4: Construction of flexible production lines to respond to needs and the characteristics of materials

Flexibility

**We can handle various materials such as curtains, wallpaper, film, wood and tiles.
We construct production lines flexibly to respond to different customer needs and the characteristics of different materials.**

Toppan can handle a wide range of materials, but it is also necessary to adapt production lines in accordance with the special characteristics of the materials.

We construct optimal production lines matched to the characteristics of the materials and flexibly respond to customer needs.



*A strong track record of taking orders and producing items.
Trusted by customers throughout the world.*

● Toppan is also active in the housing equipment related industry

Toppan is also a manufacturer of décor materials.

Toppan subsidiary Toppan Cosmo (<http://www.toppan.co.jp/english/tc/>) plans, designs, manufactures, processes and sells items including decorative paper/film, decorative panels, interior fixtures and wallpaper.

Demonstrating original creative and design capabilities, Toppan's design development is recognized globally and is an important feature of the company.

In particular, the company was quick off the mark in the development of environmentally friendly products, and responds to diverse customer needs with a full lineup of environmental products such as the original 101 series of interior decorative film.



● Through collaboration with Toppan Cosmo, it is possible to provide even more accurate solutions

*Provision of information on interior trends

Toppan Cosmo analyzes interior trends every year.
It is possible to provide solutions based on the latest trend information.



Interior trend information book

↓ Toppan Cosmo's "FOREST" showroom in Tokyo, Japan. A venue for showcasing the latest design and product development.



With the integrated strength of the group that includes Toppan Cosmo, Toppan provides the best possible solutions to customers.

International and National laws

Compliance with ILO conventions

Employment of Appropriate Workers

No prison or child labour

General Employment Practices

We follow and often exceed local legislation

We comply with national health and safety standards

We comply with all applicable local legislation in terms of worker insurance

We do not discriminate in respect of opportunities

We support labour relations and recognise workers' councils

Commitment to the Environment

“We will continue to alleviate the environmental burden of our operating activities by proposing, developing and providing environmentally-friendly products and services that co-exist in harmony with our irreplaceable global environment”

Toppan CSR Report 2005



Toppan's Environmental Logo

This logo symbolizes Toppan's environmental actions and measures as a seed that will germinate and grow

• *ACTIVITIES*

- Environmental accounting
- Environmental Management activities
- Environmental Communications
- Energy Conservation
- Waste reduction/recycling
- Chemical Substance management
- Logistics
- Product development