

CONSOLIDATED GRAPHICS INC /TX/
Form DEF 14A
June 30, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Consolidated Graphics, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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ConsolidatedGraphics

June 30, 2005

Dear Shareholder:

You are cordially invited to attend the 2005 Annual Meeting of Shareholders to be held at The Houstonian, 111 N. Post Oak Lane, Houston, Texas 77024, on Thursday, July 28, 2005, at 5:00 p.m., Central Daylight Time. For those of you who cannot be present at this annual meeting, we urge that you participate by indicating your choices on the enclosed proxy card and completing and returning it at your earliest convenience. If you sign and return your proxy card without specifying your choices, it will be understood that you wish to have your shares voted in accordance with the Board of Directors' recommendations.

This booklet includes the Notice of Annual Meeting of Shareholders and the Proxy Statement, which contains details of the business to be conducted at the 2005 Annual Meeting. The Company's Annual Report to Shareholders, which is not part of the Proxy Statement, is also enclosed and provides additional information regarding the financial results of the Company for the fiscal year ended March 31, 2005.

It is important that your shares are represented at the meeting, whether or not you are able to attend personally. Accordingly, please sign, date and mail promptly the enclosed proxy card in the envelope provided.

On behalf of the Board of Directors, thank you for your cooperation and continued support.

/s/ Joe R. Davis
Joe R. Davis
*Chairman of the Board and
Chief Executive Officer*

Consolidated Graphics, Inc.
5858 Westheimer, Suite 200
Houston, Texas 77057
(713) 787-0977

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VOTING THE PROXY CARD

Please complete, sign, date and return the accompanying proxy card promptly in the enclosed addressed envelope. Postage need not be affixed to the envelope if mailed in the United States.

The immediate return of your proxy card will be of great assistance in preparing for the annual meeting and is therefore urgently requested, even if you plan to attend the annual meeting. If you attend the annual meeting and make arrangements to vote in person, your proxy card will not be used.

IF YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON

The annual meeting will be held at 5:00 p.m., Central Daylight Time, on Thursday, July 28, 2005, at The Houstonian, 111 N. Post Oak Lane, Houston, Texas 77024. Signs will direct you to the conference room where the annual meeting will be held.

If your shares are not registered in your own name and you plan to attend the annual meeting and vote your shares in person, you should contact your broker or agent in whose name your shares are registered to obtain a broker's proxy and bring it to the annual

meeting in order to vote.

ConsolidatedGraphics

**Consolidated Graphics, Inc.
5858 Westheimer, Suite 200
Houston, Texas 77057**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Thursday, July 28, 2005
5:00 p.m. Central Daylight Time

To the Shareholders:

The 2005 Annual Meeting of Shareholders of Consolidated Graphics, Inc. (the Company) will be held at The Houstonian, 111 N. Post Oak Lane, Houston, Texas 77024, on Thursday, July 28, 2005, at 5:00 p.m., Central Daylight Time, for the following purposes:

1. To elect two Class III directors to serve on the Company's Board of Directors for terms of three years or until their successors are duly elected and qualified or until the earlier of their resignation or removal.
2. To transact such other business as may properly come before the meeting or any adjournment(s) or postponement(s) thereof.

Only shareholders of record as of the close of business on June 15, 2005, are entitled to receive notice of, and to vote at, the annual meeting and any adjournment(s) or postponement(s) thereof. A list of such shareholders shall be open to the examination of any shareholder of record during normal business hours, for a period of ten days prior to the meeting, at the principal executive offices of the Company, located at 5858 Westheimer, Suite 200, Houston, Texas 77057, and shall also be open to examination at the annual meeting and any adjournment(s) or postponement(s) thereof.

By Order of the Board of Directors

/s/ G. Christopher Colville
G. Christopher Colville
Secretary

Houston, Texas
June 30, 2005

IT IS IMPORTANT THAT YOUR STOCK BE REPRESENTED AT THE ANNUAL MEETING REGARDLESS OF THE NUMBER OF SHARES YOU HOLD. PLEASE COMPLETE, SIGN AND MAIL THE ENCLOSED PROXY CARD IN THE ACCOMPANYING ENVELOPE EVEN IF YOU INTEND TO BE PRESENT AT THE ANNUAL MEETING. RETURNING THE PROXY CARD WILL NOT LIMIT YOUR RIGHT TO VOTE IN PERSON OR TO ATTEND THE ANNUAL MEETING, BUT WILL ENSURE YOUR REPRESENTATION IF YOU CANNOT ATTEND. IF YOU HAVE SHARES IN MORE THAN ONE NAME, OR IF YOUR STOCK IS REGISTERED IN MORE THAN ONE WAY, YOU MAY RECEIVE MORE THAN ONE COPY OF THE PROXY MATERIAL. IF SO, SIGN AND RETURN EACH OF THE PROXY CARDS YOU RECEIVE SO THAT ALL OF YOUR SHARES MAY BE VOTED. YOU MAY REVOKE YOUR PROXY AT ANY TIME PRIOR TO ITS USE.

ConsolidatedGraphics

**Consolidated Graphics, Inc.
5858 Westheimer, Suite 200
Houston, Texas 77057**

PROXY STATEMENT

INTRODUCTION

The accompanying proxy is solicited by and on behalf of the Board of Directors of Consolidated Graphics, Inc., a Texas corporation (the Company), for use only at the 2005 Annual Meeting of Shareholders (the Annual Meeting) to be held at The Houstonian, 111 N. Post Oak Lane, Houston, Texas 77024, on Thursday, July 28, 2005, at 5:00 p.m., Central Daylight Time, and at any adjournment(s) or postponement(s) thereof. The approximate date on which this Proxy Statement and accompanying proxy will first be given or sent to shareholders is June 30, 2005.

Each proxy executed and returned by a shareholder may be revoked at any time before it is voted at the Annual Meeting by filing a written instrument revoking it with the Secretary at the Company's executive offices, by execution and return of a later-dated proxy, or by appearing at the Annual Meeting and making arrangements to vote in person. The executive offices of the Company are located at 5858 Westheimer, Suite 200, Houston, Texas 77057.

ACTION TO BE TAKEN UNDER PROXY

Proxies in the accompanying form will be voted in accordance with the specifications made thereon and, where no specifications are given, such proxies will be voted FOR the election of the two nominees named herein to serve as Class III directors and if one or more of such nominees should become unavailable for election for any reason, then FOR the election of any substitute nominee that the Board of Directors (Board) of the Company may propose.

Management of the Company did not receive any shareholder proposals for inclusion in this Proxy Statement by the date prescribed therefor and is not aware of any other matters to be presented for action at the Annual Meeting. If, however, any other matters properly come before the Annual Meeting, it is intended that the persons named in the accompanying proxy will vote pursuant to the proxy in accordance with their best judgment on such matters.

RECORD DATE AND VOTING SECURITIES

The Board has fixed the close of business on June 15, 2005, as the record date for the determination of shareholders entitled to receive notice of, and to vote at, the Annual Meeting and any adjournment(s) or postponement(s) thereof. The issued and outstanding shares of Common Stock of the Company as of the close of business on June 15, 2005, consisted of 13,770,834 shares, each of which is entitled to one vote on each matter to be voted on at the Annual Meeting. Under the Company's Second Amended and Restated By-laws (the "By-laws") and in accordance with the Texas Business Corporation Act, the holders of a majority of the total issued and outstanding shares of Common Stock, present in person or represented by proxy and entitled to vote thereat, will constitute a quorum for the transaction of business at the Annual Meeting. The persons whom we appoint to act as inspectors of election will determine whether a quorum exists.

If there are insufficient shares present in person or represented by proxy at the Annual Meeting to constitute a quorum, the Annual Meeting may be adjourned until such time and place as is determined by a vote of the holders of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting to

permit further solicitation of proxies by the Company. Proxies given pursuant to this solicitation and not revoked will be voted at any postponement(s) or adjournment(s) of the Annual Meeting in the manner set forth above.

The affirmative vote of a majority of the shares of Common Stock, represented in person or by proxy and entitled to vote thereat, at a meeting at which a quorum is present is required for the election of directors. Abstentions and broker nonvotes (i.e., shares held by a broker or nominee as to which it does not have discretionary authority to vote with respect to a particular proposal and for which no instructions have been received from the beneficial owners or persons entitled to vote) will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum. In determining the results of voting on the election of directors, abstentions and broker nonvotes will have the same effect as a vote against the nominated directors, because approval of the directors requires an affirmative vote, as stated above.

**SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT**

To the Company's knowledge, the following table sets forth as of the close of business on June 15, 2005, information with respect to the shares of Common Stock beneficially owned by (i) the executive officers of the Company, (ii) each of the directors and director nominees, (iii) all persons known to the Company to be the beneficial owners of 5% or more thereof and (iv) all executive officers and directors as a group. To the Company's knowledge, all persons listed have sole voting and investment power with respect to their shares, unless otherwise indicated.

| Name of Beneficial Owner | Amount of Beneficial Ownership (1) | |
|--------------------------------------------------------------------------------------------|------------------------------------|-------------------------|
| | Number of Shares (2) | Percentage of Class (3) |
| Joe R. Davis (4) | 2,054,800 | 14.4% |
| T. Rowe Price Associates, Inc. T. Rowe Price Small-Cap Stock Fund, Inc. (5) | 1,500,000 | 10.9% |
| Barclays Global Investors, NA, Barclays Global Fund Advisors and Barclays Capital Inc. (6) | 1,236,749 | 9.0% |
| Braun, von Wyss & Müller AG (7) | 691,500 | 5.0% |
| Hugh N. West, M.D. | 180,000 | 1.3% |
| G. Christopher Colville | 120,000 | * |
| James H. Limmer | 102,500 | * |
| Brady F. Carruth | 53,860 | * |
| Gary L. Forbes | 35,000 | * |
| Larry J. Alexander | 7,989 | * |
| All directors and executive officers as a group (7 persons) | 2,554,149 | 17.7% |

* Indicates beneficial ownership of less than 1% of the total outstanding shares of Common Stock.

(1) In accordance with Securities and Exchange Commission (SEC) regulations, shares are deemed to be beneficially owned by a person if such person directly or indirectly has or shares the power to vote or dispose of the shares, regardless of whether such person has any economic interest in the shares. In addition, a person is deemed to own beneficially any shares of which such person has the right to acquire beneficial ownership within 60 days, including upon exercise of a stock option.

(2) The shares beneficially owned include options to purchase shares of Common Stock exercisable within 60 days of June 15, 2005, as follows: Mr. Davis-500,000 shares, Dr. West-10,000 shares, Mr. Colville-120,000 shares, Mr. Carruth-15,000 shares, Mr. Forbes-10,000 shares and Mr. Alexander-4,400 shares.

(3) The percentage of Common Stock owned by each person has been calculated using the 13,770,834 shares outstanding as of the close of business on June 15, 2005, plus any shares issuable upon exercise of options owned by such person exercisable within 60 days of such date and deemed to be outstanding pursuant to Rule 13d-3(d)(1) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

(4) The address of Mr. Davis is 5858 Westheimer, Suite 200, Houston, Texas 77057.

(5) Based on a Schedule 13G/A showing ownership as of December 31, 2004, filed with the SEC on February 16, 2005. These securities are owned by various individuals and institutional investors including T. Rowe Price Small-Cap Stock Fund, Inc. (which owns 1,001,900 shares, representing 7.3% of the shares outstanding), which T. Rowe Price Associates, Inc. (Price Associates) serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Exchange Act, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates

expressly disclaims that it is, in fact, the beneficial owner of such securities. The address of Price Associates and T. Rowe Price Small Cap Stock Fund is 100 East Pratt Street, Baltimore, Maryland 21202.

(6) Based on a Schedule 13G showing ownership as of December 31, 2004, filed with the SEC on February 14, 2005. The Schedule 13G indicates that Barclays Global Investors, NA had sole voting power with respect to 812,343 shares and sole dispositive power with respect to 899,484 shares of Common Stock, Barclays Global Fund Advisors had sole voting power with respect to 318,491 shares and sole dispositive power with respect to 321,865 shares of Common Stock and Barclays Capital Inc. had sole voting and dispositive power with respect to 15,400 shares of Common Stock. The address of Barclays Global Investors, NA and Barclays Global Fund Advisors is 45 Fremont St., 17th Floor, San Francisco, California 94105 and the address of Barclays Capital Inc. is 200 Park Ave., New York, New York 10166.

(7) Based on Annual Reports obtained by the Company for the year ended December 31, 2004, of the Classic Global Equity Fund and the Classic Leveraged Equity Fund both managed by Braun, von Wyss & Müller AG. The Annual Report does not state whether Braun, von Wyss & Müller AG had sole or shared voting or dispositive power with respect to such shares of Common Stock. The address of Braun, von Wyss & Müller AG is Brandschenkestrasse 178, 8002 Zürich.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and executive officers and persons who own more than 10% of a registered class of the Company's equity securities to file with the SEC and The New York Stock Exchange, Inc. (NYSE) certain reports of ownership, changes in ownership and annual statements of beneficial ownership of the Company's Common Stock. Officers, directors and greater than 10% shareholders are required by SEC regulations to furnish the Company with copies of all such forms they file. Based solely on a review of the copies of such reports furnished to the Company and/or written representations that no other reports were required, the Company believes that during the 2005 fiscal year all of the reporting persons above complied on a timely basis with all applicable filing requirements under Section 16(a) of the Exchange Act.

ELECTION OF CLASS III DIRECTORS

Pursuant to the Company's By-laws, the Board is currently comprised of six directors and is divided into three classes, with each class serving a three-year term. At each annual meeting of shareholders, one class of directors is elected for a full term of three years to succeed that class of directors whose terms are expiring. The Board currently consists of Larry J. Alexander, Brady F. Carruth, Gary L. Forbes, James H. Limmer, Hugh N. West, M.D. and Joe R. Davis, with Messrs. Alexander and Carruth constituting the Class I directors, Messrs. Forbes and Limmer constituting the Class II directors and Mr. Davis and Dr. West constituting the Class III directors. The term of the Class III directors expires at the Annual Meeting. The terms of the other two classes of directors expire at the 2006 (Class I directors) and 2007 (Class II directors) annual meetings of shareholders.

Unless contrary instructions are set forth in the proxy card, it is intended that the persons named in the proxy will vote all shares of Common Stock represented by the proxy for the election of the nominees listed below as the Class III directors, each of whom is presently a member of the Board. The two Class III directors elected at the Annual Meeting will each serve for a term expiring on the date of the annual meeting of shareholders in 2008 or until his successor has been elected and qualified or until his earlier resignation or removal. The Restated Articles of Incorporation of the Company, as amended to date, do not permit cumulative voting. The affirmative vote of a majority of the shares of Common Stock held by holders of shares of Common Stock, present in person or represented by proxy and entitled to vote at a meeting at which a quorum is present, is required to elect directors.

The Board has appointed a Nominating and Governance Committee and delegated to it the responsibility for evaluating candidates and recommending nominees for election to the Company's Board of Directors. The Nominating and Governance Committee determined in its business judgment that the election of Mr. Davis and Dr. West as the Class III directors of the Company is in the best interest of the Company and its shareholders. The Board subsequently confirmed the recommendation of the Nominating and Governance Committee. **THE BOARD THEREFORE RECOMMENDS A VOTE FOR EACH OF THE DIRECTOR NOMINEES, AND PROXIES THAT ARE RETURNED BUT NOT MARKED TO THE CONTRARY WILL BE SO VOTED.**

A shareholder may, in the manner set forth in the enclosed proxy card, instruct the proxy holder not to vote that shareholder's shares for one or more of the named nominees. Each of the nominees for election as Class III directors is currently serving as a director on the Board and has indicated his willingness to serve in such capacity, if elected, but should the candidacy of Mr. Davis and/or Dr. West for any reason be withdrawn or any such nominee becomes unavailable for election, the Nominating and Governance Committee may recommend another nominee to

the Board of Directors for election, in which case the persons acting under the duly executed proxies will vote for the election of the replacement nominee. Management is currently unaware of any circumstances likely to render any nominee unavailable for election.

The following sets forth information concerning each of the nominees for election to the Board of Directors and each continuing member of the Board including their name, age and principal occupation or employment for at least the past five years and the period during which such person has served as a director of the Company.

Nominees for Election as Class III Directors

The following information is furnished regarding the Class III director nominees who, if elected, will serve on the Board until the 2008 annual meeting of shareholders or until their respective successors are elected and qualified or until the earlier of their resignation or removal.

Joe R. Davis has been the Chief Executive Officer and Chairman of the Board of Directors of the Company since it was founded in 1985 and also served as President of the Company from its inception until July 25, 2000. Mr. Davis serves on the Executive Committee and also serves on the board of directors of Carriage Services, Inc., a publicly traded death care company. Mr. Davis is 62 years of age.

Hugh N. West, M.D., was in private practice in Houston, Texas in the field of diagnostic radiology until his retirement in 1996. Dr. West has been a director of the Company since 1985 and serves on the Compensation Committee and the Nominating and Governance Committee. Dr. West is 59 years of age.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RE-ELECTION OF MR. DAVIS AND DR. WEST AS CLASS III DIRECTORS OF THE COMPANY.

Continuing Class I Directors

The following information is furnished with respect to the Class I directors, who will continue to serve on the Board until the 2006 annual meeting of shareholders or until their respective successors are elected and qualified or until the earlier of their resignation or removal.

Larry J. Alexander retired from the San Antonio Spurs Professional Basketball Team in May 1996, where he had been the Vice President Administration and Communications since August 1994. Prior to joining the Spurs, he spent 27 years with SBC, Inc., a telecommunications company, where he had various responsibilities in advertising and corporate communications, most recently as Senior Vice President External Affairs. Mr. Alexander has been a director of the Company since May 1995 and serves on the Compensation Committee. Mr. Alexander is 63 years of age.

Brady F. Carruth has been President of Gulf Coast Capital Corporation, a commercial landscaping business, since 1987 and President and Chief Executive Officer of Saratoga Financial Group, an insurance holding company, since 2001. Mr. Carruth has been a director of the Company since 1985 and serves on the Audit Committee and the Nominating and Governance Committee. Mr. Carruth is 47 years of age.

Continuing Class II Directors

The following information is furnished with respect to the Class II directors, who will continue to serve on the Board until the 2007 annual meeting of shareholders or until their respective successors are elected and qualified or until the earlier of their resignation or removal.

Gary L. Forbes has been a Vice President of Equus II Incorporated, a public investment company, since 1991. Mr. Forbes serves on the board of directors of NCI Building Systems, Inc., a publicly traded manufacturer of prefabricated metal buildings. Mr. Forbes is a certified public accountant and has been a director of the Company since 1993. He serves on the Audit Committee and the Executive Committee and is 61 years of age.

James H. Limmer has been a partner with the law firm of Tekell, Book, Matthews & Limmer, L.L.P., in Houston, Texas, which specializes in all phases of insurance defense, since July 1973. Mr. Limmer has been a

director of the Company since 1985 and serves on the Audit Committee and the Nominating and Governance Committee. Mr. Limmer is 63 years of age.

BOARD OF DIRECTORS COMMITTEES AND MEETINGS

Board of Directors and Committees

As of the date of this Proxy Statement, the size of the Board of Directors was fixed at six members, divided into three classes as described under Election of Class III Directors above. Our Board has a standing Executive Committee, Audit Committee, Compensation Committee and Nominating and Governance Committee. The Board may also establish other committees from time to time as necessary to facilitate the management of the business and affairs of the Company and to comply with the NYSE corporate governance rules.

The Company's Corporate Governance Guidelines (the Governance Guidelines), in compliance with the NYSE corporate governance rules, provide that the Board shall be comprised of a majority of non-management directors that meet the independence requirements of the NYSE. The Company's non-management directors (Messrs. Alexander, Carruth, Forbes and Limmer and Dr. West) comprise a majority of the Board and each are independent for purposes of Section 303A of the NYSE corporate governance rules. The Board has affirmatively determined that the non-management directors had no material business relationships with the Company and otherwise satisfied the criteria for independence of the NYSE. The Board's determination was based primarily on the directors' general familiarity with each other and their backgrounds, the fact that no director previously reported a change in circumstances that could affect his independence and a review and discussion of the representations made by the directors in response to various questions regarding each of their (and their family's) employment and compensation history, affiliations and business and other relationships.

During the fiscal year ended March 31, 2005, the Board held meetings or acted by unanimous consent a total of 12 times. Each of the directors attended at least 75% of the meetings of the Board and of each committee on which he served. In addition, pursuant to the Governance Guidelines, Board members are expected to attend each annual meeting of shareholders. All but one of our directors attended our last annual meeting of shareholders.

Pursuant to the Governance Guidelines and the NYSE corporate governance rules, our non-management directors are required to meet in executive sessions held at least quarterly. The presiding director (the Presiding Director) of those sessions is elected by the non-management directors. The Presiding Director is also the non-management Board member appointed to receive communications from shareholders as set forth in Shareholder Communications below.

Executive Committee

The Executive Committee is charged under its written charter to review and develop strategies and policies of the Company and recommend changes thereto and approve certain transactions of the Company pursuant to authority delegated by the Board. The Executive Committee consists of Messrs. Davis and Forbes. During the fiscal year ended March 31, 2005, the Executive Committee held meetings or acted by unanimous consent a total of two times.

Audit Committee

The Board has established a standing Audit Committee that is currently comprised of Messrs. Carruth, Forbes and Limmer. The Board has determined that each member of the Audit Committee meets the independence and financial literacy requirements of the NYSE corporate governance rules. The Board has also determined that Mr. Forbes qualifies as the Audit Committee financial expert as defined in Item 401(h) of Regulation S-K of the Exchange Act. During the fiscal year ended March 31, 2005, the Audit Committee held meetings or acted by unanimous

consent a total of eight times.

In addition to certain duties that may be prescribed by the NYSE corporate governance rules and SEC rules and regulations, the committee is charged under its written charter to, among other things, assist the Board in its oversight of maintaining the integrity of the Company's financial statements, the Company's compliance with legal

and regulatory requirements, the qualifications and independence of the registered independent public accounting firm selected to perform the external audit of the Company, and the performance of the Company's internal audit function and its external auditor. The Committee is also responsible for preparing an audit committee report as required by the SEC for inclusion in the proxy statement for the annual meeting of shareholders.

Compensation Committee

Our Board has a standing Compensation Committee currently comprised of Mr. Alexander and Dr. West, each of whom have been determined by our Board to meet the independence requirements of the NYSE corporate governance rules. In addition to certain duties that may be prescribed by the NYSE corporate governance rules and SEC rules and regulations, the Compensation Committee is charged under its written charter with, among other things, determining the compensation of directors and executive officers and administering the Consolidated Graphics, Inc. Long-Term Incentive Plan, as amended (the Incentive Plan). The Committee is also responsible for preparing a compensation committee report as required by the SEC for inclusion in the proxy statement for the annual meeting of shareholders. During the fiscal year ended March 31, 2005, the Compensation Committee held meetings or acted by unanimous consent a total of nine times.

Nominating and Governance Committee

Our Board also has a standing Nominating and Governance Committee currently comprised of Messrs. Carruth and Limmer and Dr. West, each of whom have been determined by our Board to meet the independence requirements of the NYSE corporate governance rules. In addition to certain duties that may be prescribed by the NYSE corporate governance rules and SEC rules and regulations, the Nominating and Governance Committee is charged under its written charter with, among other things, assisting the Board in identifying individuals qualified to become Board members, evaluating and recommending for Board selection director nominees for election at each annual meeting of shareholders and generally assisting with filling Board vacancies, reviewing committee structures and member composition and developing and recommending to the Board any amendments to the Governance Guidelines and the Company's Corporate Code of Ethics. During the fiscal year ended March 31, 2005, the Nominating and Governance Committee held meetings or acted by unanimous consent a total of three times.

Director Nomination Process

The Nominating and Governance Committee assists the Board by identifying, evaluating and recommending for Board selection potential candidates for election to the Board of Directors at each annual meeting of the Company's shareholders.

Pursuant to its charter, the Committee considers NYSE requirements and other factors such as knowledge of the Company and the printing industry, business experience, and any prior service as a Board member, with no one or more of these factors being deemed to be minimum criteria for qualification or more important than other factors, that the Committee may take into account in their discretion. The Committee considers candidates for election to the Board based on the recommendation of the chairman of the Board and, if so requested, by the Company's shareholders in the manner set forth below under Shareholder Nominations for Directors. If necessary, the Committee may independently seek candidates and has the authority to retain and compensate consulting firms in connection with that search process. Director candidates identified by the chairman of the Board, the shareholders or the Committee itself will be evaluated in the same manner by the Committee. For purposes of the election of Class III directors at the Annual Meeting, the Committee reviewed the recommendation from Mr. Davis, our Chairman of the Board, that he and Dr. West be considered for re-election as Class III directors. No director candidates were submitted by shareholders for the Committee's consideration. Based on the Committee's evaluation of the qualifications of such nominees, taking into consideration the factors described above and relevant elements from the Board's annual self-assessment, the Committee recommended to the Board that Mr. Davis and

Dr. West be nominated for re-election to the Board, which the Board subsequently confirmed.

Shareholder Nominations for Directors

Pursuant to our By-laws, shareholders of the Company may nominate director candidates for election at the annual meeting of shareholders. To be properly brought for consideration at the annual meeting such nominations must comply with the requirements described under the caption *Shareholder Proposals* below, and shall be accompanied by the following information:

the name of the nominee and the address and principal occupation or employment of such nominee;

description of all arrangements or understandings between the shareholder and each nominee and any person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder;

the written consent of each nominee to serve if so elected;

any other information related to such person that is required to be disclosed in a proxy statement soliciting proxies for election of directors, or as otherwise required pursuant to Regulation 14A under the Exchange Act; and

the name(s) and address(es) of the shareholder(s) making the nomination and the number of shares of the Company's Common Stock which are owned beneficially by such shareholder(s).

Alternatively, shareholders of the Company may submit director nominees for consideration by the Nominating and Governance Committee in connection with its annual process of evaluating candidates for filling vacancies created by expiring terms of director classes. Such nominations may be submitted to the Nominating and Governance Committee, c/o Corporate Secretary, Consolidated Graphics, Inc., 5858 Westheimer, Ste. 200, Houston, Texas 77057, should be submitted no later than April 29, 2006 and should include the information set forth above with respect to director nominations by shareholders. As stated above, any such nominations will be evaluated by the Nominating and Governance Committee in the same manner as all other nominees.

Shareholder Communications

Shareholders wishing to communicate with the non-management directors of our Board may contact the then Presiding Director in the manner set forth on our website. Our Presiding Director is authorized to act on behalf of such directors in accordance with our Governance Guidelines. Currently, our Presiding Director is Gary L. Forbes who may be contacted c/o Equus II Incorporated, at 2727 Allen Parkway, 13th Floor, Houston, Texas 77019.

Availability of Certain Committee Charters and Other Information

The charters for our Audit, Compensation, Nominating and Governance and Executive Committees, as well as the Governance Guidelines and Corporate Code of Ethics, can all be accessed, free of charge, on our website (www.cgx.com) under Investor Relations - Governance. We intend to disclose any changes to or waivers from the Corporate Code of Ethics that would otherwise be required to be disclosed under Item 5.05 of Form 8-K on our website. We will also provide printed copies of these materials to any shareholder upon request to Consolidated Graphics, Inc., Attn: Secretary, 5858 Westheimer, Suite 200, Houston, Texas 77057. The information on our website (other than documents we

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file with the SEC) is not, and shall not be deemed to be, a part of this Proxy Statement or incorporated into any other filings we make with the SEC.

We also make available on our website, free of charge, access to our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, as well as other documents that we file with or furnish to the SEC pursuant to Sections 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after such documents are filed with, or furnished to, the SEC.

AUDIT COMMITTEE REPORT

The Audit Committee has been appointed by the Board of Directors to, among other things, assist the Board in fulfilling its responsibility to oversee the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications, independence, selection and compensation of our registered independent public accounting firm, and the performance of our internal audit function and the external auditors. The Committee operates under a written charter adopted by the Board and reviewed annually by the Committee. The Committee has furnished the following report for 2005:

Management is responsible for the preparation, presentation and integrity of the Company's financial statements, accounting and financial reporting principles and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The Company's independent registered public accounting firm, KPMG LLP, is responsible for performing the audits of the consolidated financial statements in accordance with generally accepted auditing standards and of the effectiveness of the Company's internal controls over financial reporting.

Management has represented to the Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Committee has reviewed and discussed with management and KPMG LLP, the Company's independent auditors, the Company's audited financial statements as of and for the year ended March 31, 2005. The Committee has also discussed with KPMG LLP the matters required to be discussed by Statement on Auditing Standards (SAS) No. 61 (Communications with Audit Committees) and SAS 90 (Audit Committee Communications), as amended and currently in effect. The Committee has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board No. 1 (Independence Discussions with Audit Committees), as currently in effect. The Committee has also considered the compatibility of the provision of non-audit services with the independent auditor's independence.

Based on the reports and discussions described in this report, the Committee recommended to the Board of Directors of the Company that the audited financial statements referred to above be included in the Company's annual report on Form 10-K for the year ended March 31, 2005 for filing with the Securities and Exchange Commission.

The Audit Committee members: Gary L. Forbes, Chairman Brady F. Carruth James H. Limmer

EXECUTIVE OFFICERS

The names, ages, position and other information with respect to our executive officers are set forth below.

| Name | Age | Position |
|-------------------------|-----|--------------------------------------------------------------------------------|
| Joe R. Davis | 62 | Chief Executive Officer |
| G. Christopher Colville | 47 | Executive Vice President, Chief Financial and Accounting Officer and Secretary |

Joe R. Davis has served as our Chief Executive Officer and Chairman of the Board of Directors since it was founded in 1985 and also served as President of the Company from its inception until July 25, 2000. Please refer to Election of Class III Directors above for additional information with respect to Mr. Davis' background and experience.

G. Christopher Colville has served as Executive Vice President, Chief Financial and Accounting Officer and Secretary of the Company since March 2002. From October 2000 to February 2002, Mr. Colville served as Managing Director at Murphy Noell Capital, LLC, an investment banking firm. Mr. Colville was previously employed by the Company from September 1994 to September 2000 and held various executive positions, including Executive Vice President

Mergers and Acquisitions, Chief Financial Officer and Secretary. Mr. Colville is a certified public accountant.

EXECUTIVE COMPENSATION

Summary Compensation Table. The following table sets forth certain information regarding the compensation earned by or awarded to the Chief Executive Officer (CEO) and any other executive officers, as determined by our Board in its business judgment, employed by the Company during the fiscal year ended March 31, 2005, for the fiscal years ended March 31, 2005, 2004 and 2003.

Summary Compensation Table

| Name and Principal Position | Year | Annual Compensation | | Long-Term Compensation Awards Shares Underlying Options |
|--------------------------------------------------------------------------------------------------------------|------|---------------------|------------|------------------------------------------------------------------------|
| | | Salary | Bonus | |
| Joe R. Davis, Chairman of the Board and Chief Executive Officer | 2005 | \$ 400,000 | \$ 250,000 | 50,000 |
| | 2004 | 400,000 | | 50,000 |
| | 2003 | 400,000 | | 50,000 |
| G. Christopher Colville Executive Vice President, Chief Financial and Accounting Officer and Secretary | 2005 | \$ 250,000 | \$ 150,000 | 25,000 |
| | 2004 | 250,000 | 65,000 | 50,000 |
| | 2003 | 250,000 | | |

Options Granted in Fiscal 2005. The following table shows, for the fiscal year ended March 31, 2005, all grants of options to acquire shares of Common Stock granted to the executive officers named in the Summary Compensation Table above under the Incentive Plan.

**Options Granted
in Fiscal Year Ended March 31, 2005**

| Name of Officer | Number of Securities Underlying Options Granted (1) | % of Total Options Granted in Fiscal Year | Exercise or Base Price (\$/share) (2) | Expiration Date | Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term (3) | |
|-------------------------|-----------------------------------------------------------------|----------------------------------------------------|---------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------|--------------|
| | | | | | 5% | 10% |
| Joe R. Davis | 50,000 | 18.5% | \$ 41.51 | July 26, 2014 | \$ 1,305,271 | \$ 3,307,812 |
| G. Christopher Colville | 25,000 | 9.3% | \$ 52.05 | March 1, 2015 | \$ 818,349 | \$ 2,073,857 |

(1) One-fifth of the options granted generally become exercisable at each of the first, second, third, fourth and fifth anniversary of the grant dates.

(2) The exercise price per share for all options granted is equal to the market price of the underlying Common Stock as of the grant dates.

(3) The potential realizable value through the expiration date of options has been determined on the basis of the per share market price at the time the options were granted, compounded annually through the expiration date of the options, net of the exercise price. These values have been determined based upon assumed rates of appreciation and are not intended to forecast the possible future appreciation, if any, of the price or value of the Common Stock.

Stock Options Exercised and Year-End Values Table. The following table shows, as to the executive officers named in the Summary Compensation Table, information with respect to stock options exercised during the fiscal year ended March 31, 2005, and the unexercised options to purchase Common Stock granted under the Incentive Plan and held as of March 31, 2005.

**Options Exercised in Fiscal 2005
and Value of Options at March 31, 2005**

| Name of Officer | Shares Acquired | | Number of Securities Underlying Unexercised Options Held at March 31, 2005 | | | Value of Unexercised In-the-Money Options at March 31, 2005 (1) | | | |
|-------------------------|-----------------|----------|----------------------------------------------------------------------------|--|---------------|-----------------------------------------------------------------|------------|---------------|-----------|
| | On Exercise | Realized | Exercisable | | Unexercisable | Exercisable | | Unexercisable | |
| Joe R. Davis | | | 375,000 | | 375,000 | \$ | 11,937,000 | \$ | 6,013,750 |
| G. Christopher Colville | 10,000 | 298,600 | 125,000 | | 140,000 | \$ | 4,158,650 | \$ | 3,561,700 |

(1) Options are in-the-money if the closing market price of the Common Stock exceeds the exercise price of the options. The value of unexercised options represents the difference between the exercise price of such options and the closing market price of the Common Stock on March 31, 2005, which was \$52.60.

INCENTIVE PLAN

The Board and the shareholders of the Company have previously approved the adoption of the Incentive Plan. Pursuant to the Incentive Plan, as subsequently amended, employees of the Company and directors who are not serving on the Compensation Committee are eligible to receive awards consisting of stock options, stock appreciation rights (SARS), restricted or nonrestricted stock, cash or any combination of the foregoing. To date, long-term incentive compensation has been awarded only in the form of stock options. Stock options granted pursuant to the Incentive Plan may either be incentive stock options within the meaning and subject to the provisions of Section 422 of the Internal Revenue Code of 1986, as amended (the Code), or nonqualified stock options. An aggregate of 2,452,516 shares of Common Stock were reserved for issuance pursuant to the Incentive Plan as of March 31, 2005. Of these reserved shares, option awards covering 1,700,786 (with a weighted average exercise price of \$26.08) were outstanding and 751,730 were available for future awards.

The Compensation Committee administers the Incentive Plan and, subject to the provisions thereof, is authorized by the Board to (i) determine the type or types of awards made to each participant and the terms, conditions and limitations applicable to each award, such as exercise price, vesting period, expiration date and other material conditions, (ii) interpret the Incentive Plan, (iii) grant waivers of restrictions thereunder and (iv) adopt such rules and regulations as it may deem necessary or appropriate in keeping with the objectives of the Incentive Plan provided that the provisions of Section 422 of the Code governing the issuance of incentive stock options shall not be overridden.

AGREEMENTS WITH EXECUTIVE OFFICERS

Mr. Davis has entered into an Employment Agreement with the Company to serve as the Chief Executive Officer of the Company through July 25, 2005. The Company expects that it will enter into discussions with Mr. Davis with respect to an extension or renewal of his employment agreement in the near future. Under the terms of his agreement, Mr. Davis was granted an option to purchase 300,000 shares of Common Stock and is entitled to receive an annual salary of \$400,000 and an annual option grant to purchase 50,000 shares of Common Stock. Mr. Colville has entered into an Employment Agreement with the Company to serve as the Executive Vice President, Chief Financial and Accounting Officer and Secretary of the Company through March 1, 2007. Under its terms, Mr. Colville was granted an option to purchase 200,000 shares of Common Stock and is entitled to receive an annual salary of \$250,000 and an annual option grant to purchase 25,000 shares of Common Stock. Messrs. Davis and Colville are also eligible under the terms of their respective agreements for an annual bonus determined in the discretion of the Compensation Committee. The agreements also contain restrictions on Messrs. Davis and Colville's ability to compete or interfere with the business of the Company for certain periods in certain circumstances.

The Company has entered into Change in Control Agreements with Messrs. Davis and Colville. Under the terms of their agreements, if at any time during the two-year period following a change in control of the Company either of the above named individuals is terminated without cause or resigns under certain circumstances, then such terminated or resigning individual would be entitled to receive a lump sum payment equal to three times, in the case of Mr. Davis, or two times, in the case of Mr. Colville, the sum of his highest annual salary plus his highest bonus received prior to such time and would continue to receive any employee welfare benefits he was receiving prior to such time for the remaining portion of the two-year period following a change in control. Additionally, any unvested options to purchase shares of Common Stock held by Messrs. Davis and Colville would become fully vested and immediately exercisable upon the occurrence of a change in control of the Company.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company has entered into indemnification agreements with each director, including Mr. Davis, and an executive officer, Mr. Colville, which provides, among other things, that the Company will indemnify such persons, under the circumstances and to the extent provided for therein, for expenses, damages, judgments, fines and settlements he may be required to pay in actions or proceedings which he is or may be made a party by reason of his position as an officer or director of the Company, and otherwise to the fullest extent permitted under Texas law and the Company's By-laws.

DIRECTOR COMPENSATION

Each non-management director is paid \$250 for each meeting attended and each action taken by unanimous consent of the Board or committees thereof. All directors are reimbursed for any expenses incurred in attending such Board or committee meetings. No awards were granted under the Incentive Plan to the non-management directors in the 2005 fiscal year.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During the 2005 fiscal year, no member of the Compensation Committee was or formerly had been an officer or employee of the Company or any of its affiliates. Also, during the 2005 fiscal year, no executive officer of the Company served on the compensation committee or the board of directors of any other entity which employed as an executive officer, or was otherwise affiliated with, one of the members of the Company's Board or of its Compensation Committee. Throughout the 2005 fiscal year, the Compensation Committee consisted of Mr. Alexander and Dr. West.

REPORT OF COMPENSATION COMMITTEE

The Compensation Committee has been appointed by the Board to, among other things, assist the Board in fulfilling its responsibility to review compensation of directors and executive officers and administer the Incentive Plan. The Committee operates under a written charter adopted by the Board and reviewed annually by the Committee. The Committee consists entirely of independent directors in accordance with the NYSE corporate governance rules and the Governance Guidelines. The Committee has furnished the following report for 2005:

Compensation Philosophy and Components. The Committee's philosophy on executive compensation is designed to employ, retain and reward executives capable of leading the Company in creating and preserving strong financial performance, increasing the assets of the Company through acquisitions, positioning the Company's assets and business operations for long-term growth opportunities, and enhancing shareholder value. The executive compensation strategy is intended to provide an overall level of compensation that the Committee believes, based on its own judgment and experience, is competitive with levels of compensation provided by companies deemed by the Committee to be comparable for compensation purposes. The companies used for comparisons of compensation levels are not necessarily the same companies included within the index reflected in the Stock Price Performance Graph because certain of those companies are not comparable with the Company or its subsidiaries for compensation purposes due to their size and/or operating philosophy. The companies considered to be comparable

to the Company for compensation purposes are generally publicly traded companies of similar size and growth strategy.

The primary components of the Company's executive compensation strategy are annual cash compensation (salary and bonuses) and long-term incentive compensation (stock options).

Salary and bonuses. Executive officer cash compensation is maintained at levels that the Committee believes, based upon its own judgment and experience, are fair and appropriate in the circumstances and competitive in the marketplace.

Stock options. Stock option grants are deemed by the Committee to be an appropriate form of long-term incentive compensation necessary to encourage the continuing commitment of the executive officers to the future financial success and growth of the Company in direct alignment with the interests of the shareholders, and to also be fair and appropriate in the circumstances and competitive in the marketplace.

At current compensation levels, the Committee does not expect Internal Revenue Service regulations regarding maximum deductibility of executive compensation to have any application to the Company.

Chief Executive Officer Compensation. In July 2000, the Committee approved a five-year employment agreement between the Company and Joe R. Davis, Chairman of the Board and Chief Executive Officer. In fiscal 2005, Mr. Davis was paid a salary of \$400,000 and granted an option to purchase 50,000 shares of common stock pursuant to the terms of his employment agreement. In addition, the Committee has the discretion to award additional bonus compensation annually to Mr. Davis. Based on factors deemed relevant by the Committee, including the Company's 2005 financial performance and shareholder return, completion of a strategically important acquisition and the achieved levels of compliance with various corporate governance initiatives, the Committee determined in its business judgment that Mr. Davis should be awarded bonus compensation of \$250,000.

The Committee also approved bonus compensation of \$150,000 proposed by Mr. Davis for Mr. Colville, based on factors deemed relevant by the Committee in its business judgment, including those factors considered in the determination of Mr. Davis' bonus compensation.

The Compensation Committee members:

Larry J. Alexander, Chairman

Hugh N. West, M.D.

STOCK PRICE PERFORMANCE GRAPH

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The following performance graph and table compare the cumulative return on the Company's Common Stock against the cumulative total return of (i) the S&P 500 Index, (ii) the S&P SmallCap 600 Index and (iii) the S&P 1500 Commercial Printing Index. The Company is a component of both the S&P SmallCap 600 and the S&P 1500 Commercial Printing Indices. The graph assumes (i) the reinvestment of dividends, if any, and (ii) the value of the investment of the Company's Common Stock and each index to have been \$100 at March 31, 2000. The historical performance of the Company's Common Stock reflected below is not necessarily indicative of the Common Stock's future performance.

| | 2000 | 2001 | Years Ended March 31, | | 2004 | 2005 |
|-----------------------------------------------|------------|--------|-----------------------|--------|--------|--------|
| | 100 | | 2002 | 2003 | | |
| CONSOLIDATED GRAPHICS, INC | 100 | 97.09 | 154.56 | 130.56 | 298.64 | 408.54 |
| S&P 500 INDEX | 100 | 78.32 | 78.51 | 59.07 | 79.82 | 85.16 |
| S&P 1500 COMMERCIAL PRINTING INDEX | 100 | 113.44 | 150.10 | 104.50 | 154.88 | 166.03 |
| S&P SMALLCAP 600 INDEX | 100 | 98.72 | 120.41 | 90.53 | 141.67 | 160.20 |

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

For the fiscal year ended March 31, 2005, KPMG LLP served as the Company's independent registered public accounting firm. Representatives of KPMG LLP are expected to be present at the Annual Meeting, with the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions. While the Audit Committee has not yet selected the Company's independent registered public accounting firm for the fiscal year ending March 31, 2006, the Company anticipates that KPMG LLP will again be selected for this purpose.

Principal Accounting Fees and Services

The following table presents fees for all professional services rendered to the Company by KPMG LLP for the years ended March 31, 2005 and 2004.

| | Year Ended March 31, | |
|------------------------|----------------------|------------|
| | 2005 | 2004 |
| Audit fees (1) | \$ 621,800 | \$ 262,500 |
| Audit related fees (2) | \$ 7,200 | \$ 1,200 |
| Tax fees (3) | \$ | \$ |
| All other fees | \$ 3,000 | \$ |
| Total | \$ 632,000 | \$ 263,700 |

(1) Audit fees: Consists of fees billed for professional services rendered for the audit of the Company's consolidated financial statements included in the Company's annual report on Form 10-K, for the review of the interim condensed consolidated financial statements included in the Company's quarterly reports on Form 10-Q, for the audit of management's assessment of the effectiveness of the Company's internal control over financial reporting and other services that are normally provided in connection with statutory and regulatory filings.

(2) Audit related fees: Consists of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under Audit Fees, specifically, additional attest services that are not required by statute or regulation.

(3) Tax fees: Consists of fees billed for professional services related to miscellaneous tax compliance, consulting and planning.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee is responsible for, among other things, appointing, setting compensation, and overseeing the work of the Company's independent registered public accounting firm. As of the date of this proxy statement, the Audit Committee has not established any pre-approval policies with respect to any audit or non-audit services of the Company's independent registered public accounting firm, KPMG LLP; accordingly, the practice of the Company is to obtain advance approval from the Audit Committee for each discreet service proposed to be provided by KPMG LLP.

SHAREHOLDER PROPOSALS

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If you want to submit a proposal, including candidate(s) for election to the Board of Directors, for consideration by the shareholders at the 2006 annual meeting of shareholders, we must receive such proposal no later than March 2, 2006 in order for it to be included the respective proxy statement pursuant to the Exchange Act rules; otherwise, proposals to be presented in person at the annual meeting, but not included in the proxy statement, must be received by us no earlier than March 30, 2006 and no later than April 29, 2006 to be considered timely pursuant to our By-laws. All proposals must be submitted in writing to our Corporate Secretary, Consolidated Graphics, Inc., 5858 Westheimer, Suite 200, Houston, Texas 77057 and must fully comply with the specific procedural requirements set forth in our By-laws, the rules of the Exchange Act and other applicable SEC regulations. If you would like a copy of the procedural requirements with respect to shareholder proposals, please contact our Corporate Secretary for a copy of our By-laws.

BUSINESS TO BE TRANSACTED

The Company did not receive any proposals from any shareholder for consideration at the Annual Meeting, and management does not presently intend to bring any business before the meeting other than the matters referred to in the accompanying notice. If, however, any other matters properly come before the meeting, it is intended that the persons named in the accompanying proxy will vote pursuant to the proxy in accordance with their best judgment on such matters.

HOUSEHOLDING MATTERS

Each year in connection with the annual meeting of shareholders, we are required to send to each shareholder of record a proxy statement and annual report, and to arrange for a proxy statement and annual report to be sent to each beneficial shareholder whose shares are held by or in the name of a broker, bank, trust or other nominee. Because some shareholders hold shares of the Company's Common Stock in multiple accounts, this process results in duplicate mailings of proxy statements and annual reports to shareholders who share the same address. Shareholders may avoid receiving duplicate mailings and save us the cost of producing and mailing duplicate documents as follows:

Shareholders of Record. If your shares are registered in your own name and you are interested in consenting to the delivery of a single proxy statement or annual report, you may contact the Corporate Secretary of the Company by mail at 5858 Westheimer, Suite 200, Houston, Texas 77057 or by telephone at (713) 787-0977.

Beneficial Shareholders. If your shares are not registered in your own name, your broker, bank, trust or other nominee that holds your shares may have asked you to consent to the delivery of a single proxy statement or annual report if there are other shareholders who share an address with you. If you currently receive more than one proxy statement or annual report at your household, and would like to receive only one copy of each in the future, you should contact your nominee.

Right to Request Separate Copies. If you consent to the delivery of a single proxy statement and annual report but later decide that you would prefer to receive a separate copy of the proxy statement or annual report, as applicable, for each shareholder sharing your address, then please notify us or your nominee, as applicable, and we or they will promptly deliver such additional proxy statements or annual reports. If you wish to receive a separate copy of the proxy statement or annual report for each shareholder sharing your address in the future, you may contact the Corporate Secretary of the Company by mail at 5858 Westheimer, Suite 200, Houston, Texas 77057 or by telephone at (713) 787-0977.

OTHER INFORMATION

The cost of solicitation of proxies will be borne by the Company. Proxy cards and materials will also be distributed to beneficial owners of Common Stock through brokers, custodians, nominees and other like parties, and the Company expects to reimburse such parties for reasonable charges and expenses normal for such services. Proxies may be solicited on our behalf by our directors, officers or employees in person or by telephone, electronic transmission, and facsimile transmission without additional compensation.

The Annual Report to Shareholders, containing the audited consolidated financial statements of the Company for the fiscal year ended March 31, 2005, accompanies this Proxy Statement, but is not a part thereof.

A COPY OF THE COMPANY'S MOST RECENT ANNUAL REPORT ON FORM 10-K, INCLUDING THE FINANCIAL STATEMENTS AND SCHEDULES THERETO, WITHOUT THE ACCOMPANYING EXHIBITS, AS FILED WITH THE SEC WILL BE MADE AVAILABLE WITHOUT CHARGE UPON WRITTEN REQUEST TO: CONSOLIDATED GRAPHICS, INC., ATTENTION: SECRETARY, 5858 WESTHEIMER, SUITE 200, HOUSTON, TEXAS 77057. A LIST OF EXHIBITS IS INCLUDED IN THE FORM 10-K, AND EXHIBITS ARE AVAILABLE FROM THE COMPANY UPON THE PAYMENT TO THE COMPANY OF THE REASONABLE COSTS OF FURNISHING THE SAME. THESE DOCUMENTS MAY ALSO BE ACCESSED THROUGH THE COMPANY'S WEB SITE AT WWW.CGX.COM.

/s/ G. Christopher Colville
G. Christopher Colville
Secretary

ANNUAL MEETING OF SHAREHOLDERS OF

CONSOLIDATED GRAPHICS, INC.

July 28, 2005

Please date, sign and mail
your proxy card in the
envelope provided as soon
as possible.

Please detach along perforated line and mail in the envelope provided.

**PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK
AS SHOWN HERE \checkmark**

1. To elect two Class III directors to serve on the Company's Board of Directors for terms of three years or until their successors are duly elected and qualified or until the earlier of their resignation or removal.

2. To transact such other business as may properly come before the meeting or any adjournments thereof.

NOMINEES:

**FOR ALL
NOMINEES**

Joe R. Davis
Hugh N. West, M. D.

**WITHHOLD
AUTHORITY
FOR ALL NOMINEES**

FOR ALL EXCEPT
(See instructions below)

**THIS PROXY IS SOLICITED BY AND ON BEHALF OF
THE BOARD OF DIRECTORS AND MAY BE REVOKED
PRIOR TO ITS EXERCISE. THE BOARD OF DIRECTORS
RECOMMENDS A VOTE FOR PROPOSAL 1. THIS
PROXY WHEN PROPERLY EXECUTED WILL BE
VOTED AS DIRECTED. IF NO DIRECTION IS MADE IT
WILL BE VOTED FOR PROPOSAL 1.**

**WHETHER OR NOT YOU PLAN TO ATTEND THIS
MEETING, PLEASE MARK, SIGN, DATE AND RETURN
THIS PROXY CARD PROMPTLY IN THE ENCLOSED
POSTAGE-PAID ENVELOPE.**

INSTRUCTION: To withhold authority to vote for any individual nominee(s), mark **FOR ALL EXCEPT** and fill in the circle next to each nominee you wish to withhold, as shown here:

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Shareholder

Date:

Signature of Shareholder

Date:

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

CONSOLIDATED GRAPHICS, INC.

Proxy Solicited on Behalf of Board of Directors

Annual Meeting of Shareholders to be held Thursday, July 28, 2005

The undersigned hereby appoints Joe R. Davis and G. Christopher Colville, jointly and severally, proxies with full power of substitution and resubstitution and with discretionary authority to represent and to vote, in accordance with the instructions set forth on the reverse, all shares of Common Stock which the undersigned is entitled to vote at the 2005 Annual Meeting of Shareholders of Consolidated Graphics, Inc. to be held at The Houstonian, 111 N. Post Oak Lane, Houston, Texas 77024, on Thursday, July 28, 2005 at 5:00 p.m., Central Daylight Time, and any adjournments thereof. Shares represented by this proxy will be voted as directed by the shareholder. If no such directions are indicated, the proxies will have authority to vote FOR Proposal 1 (the election of Class III directors other than any for whom authority to vote is withheld on the reverse). In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting.

(Continued and to be signed on the reverse side)

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