

CONSOLIDATED GRAPHICS INC /TX/
 Form 4
 September 01, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 DAVIS JOE R

2. Issuer Name and Ticker or Trading Symbol
 CONSOLIDATED GRAPHICS INC /TX/ [CGX]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 CONSOLIDATED GRAPHICS, 5858 WESTHEIMER SUITE 200

3. Date of Earliest Transaction (Month/Day/Year)
 08/30/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chief Executive Officer

(Street)
 HOUSTON, TX 77057

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	08/30/2006	08/30/2006	S		750,000	D	\$ 61.22
							804,800
							(1)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to purchase common stock/restricted stock units	(2)					(3)	(4)	Common Stock	1,112,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DAVIS JOE R CONSOLIDATED GRAPHICS 5858 WESTHEIMER SUITE 200 HOUSTON, TX 77057	X	X	Chief Executive Officer	

Signatures

Joe R. Davis 09/01/2006

__Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Block trade for net proceeds of \$45,915,000, equal to \$61.22 per share.

As previously reported, 1,100,000 options to purchase common stock as follows: 250,000 @ \$53.25; 300,000 @ \$11.4375; 50,000 @ \$19.10; 50,000 @ \$14.75; 50,000 @ \$23.00; 50,000 @ \$41.51; 50,000 @ \$50.84 and 300,000 @ \$50.90 plus 12,500 restricted stock units exercisable at \$0.

(3) Each of the stock option grants have been vested; however, certain restrictions on the sale of the underlying shares of any options exercised is imposed on 600,000 options. These restrictions are scheduled to lift on 120,000 options each of March 31, 2007, 2008, 2009, 2010 and 2011, although these restrictions are subject to being accelerated or deferred based on certain events of termination of Mr. Davis' employment agreement and/or a change in control event. The restricted stock units vest in increments of 2,500 units on each of April 1, 2007, 2008, 2009, and 2010 with the final 2,500 units vesting on March 31, 2011 or upon the earlier occurrence of certain events of termination of Mr. Davis' employment agreement and/or a change in control event.

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- (4) The stock options expire variously through February 2016. The restricted stock units expire in April 2016. Exceptions to the stated expiration date are certain events of termination of Mr. Davis' employment agreement and/or a change in control event.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.