

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2013 (Based on Japanese GAAP)

February 10, 2014

Company name VT HOLDINGS CO., LTD.
 Stock exchange listing Tokyo, Nagoya
 Stock Code 7593 URL <http://www.vt-holdings.co.jp>
 Representative President & CEO Kazuho Takahashi
 Inquiries Managing Director Ichiro Yamauchi TEL 052-203-9500
 Scheduled date to file Quarterly Securities Report February 12, 2014
 Scheduled date to commence dividend payments -
 Preparation of supplementary material on quarterly earnings no
 Holding of quarterly earnings performance review no -

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2013 (from April 1, 2013 to December 31, 2013)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2013	90,930	10.5	6,004	32.2	5,917	33.5	3,203	32.1
Nine months ended December 31, 2012	82,313	25.5	4,541	10.3	4,432	10.1	2,425	(21.2)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2013	88.10	87.15
Nine months ended December 31, 2012	68.70	67.34

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2013	78,215	25,103	30.8	640.90
As of March 31, 2013	79,510	21,157	25.4	561.22

2. Cash dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2013	-	13.00	-	17.00	30.00
Year ending March 31, 2014	-	16.00	-		
Year ending March 31, 2014 (Forecast)				16.00	32.00

3. Forecast for the year ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	128,000	8.2	9,500	21.6	9,300	21.4	5,000	4.7	135.43

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2013
(changes in specified subsidiaries resulting in the change in scope of consolidation): no
- (2) Application of special accounting for preparing quarterly consolidated financial statements: no
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies due to revisions to accounting standards and other regulations: no
 - Changes in accounting policies due to other reasons: no
 - Changes in accounting estimates: no
 - Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2013	38,163,678 shares	As of March 31, 2013	36,793,678 shares
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Number of shares of treasury stock at the end of the period

As of December 31, 2013	575,500 shares	As of March 31, 2013	786,867 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2013	36,363,701 shares	Nine months ended December 31, 2012	35,308,086 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Assets		
Current assets		
Cash and deposits	4,244	6,854
Notes and accounts receivable-trade	4,164	2,888
Merchandise and finished goods	10,380	9,866
Work in process	311	299
Raw materials and supplies	53	66
Other	8,255	7,657
Allowance for doubtful accounts	(18)	(17)
Total current assets	27,392	27,615
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	17,581	17,719
Accumulated depreciation	(11,049)	(11,391)
Buildings and structures, net	6,532	6,328
Machinery, equipment and vehicles	3,143	3,339
Accumulated depreciation	(1,880)	(1,947)
Machinery, equipment and vehicles, net	1,262	1,392
Land	18,111	17,165
Other	8,126	9,041
Accumulated depreciation	(3,969)	(4,539)
Other, net	4,156	4,501
Total property, plant and equipment	30,062	29,388
Intangible assets		
Goodwill	12,607	11,924
Other	665	551
Total intangible assets	13,273	12,475
Investments and other assets		
Investment securities	5,346	5,481
Other	4,391	4,202
Allowance for doubtful accounts	(955)	(949)
Total investments and other assets	8,782	8,734
Total noncurrent assets	52,118	50,599
Total assets	79,510	78,215

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,994	10,112
Short-term loans payable	16,463	13,885
Income taxes payable	2,016	516
Provision for bonuses	810	387
Other	10,789	11,533
Total current liabilities	43,074	36,435
Noncurrent liabilities		
Bonds payable	1,250	1,055
Long-term loans payable	8,168	9,633
Provision for retirement benefits	740	773
Provision for directors' retirement benefits	409	505
Asset retirement obligations	286	292
Other	4,424	4,416
Total noncurrent liabilities	15,279	16,676
Total liabilities	58,353	53,111
Net assets		
Shareholders' equity		
Capital stock	2,493	3,317
Capital surplus	1,029	1,852
Retained earnings	16,488	18,497
Treasury stock	(134)	(98)
Total shareholders' equity	19,876	23,569
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	261	322
Revaluation reserve for land	37	37
Foreign currency translation adjustment	31	160
Total accumulated other comprehensive income	330	520
Subscription rights to shares	12	3
Minority interests	937	1,009
Total net assets	21,157	25,103
Total liabilities and net assets	79,510	78,215

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Net sales	82,313	90,930
Cost of sales	65,015	71,644
Gross profit	17,297	19,285
Selling, general and administrative expenses	12,756	13,281
Operating income	4,541	6,004
Non-operating income		
Rent income	88	90
Equity in earnings of affiliates	118	108
Other	224	136
Total non-operating income	432	335
Non-operating expenses		
Interest expenses	393	305
Other	147	117
Total non-operating expenses	540	423
Ordinary income	4,432	5,917
Extraordinary income		
Gain on sales of noncurrent assets	-	6
Gain on sales of investment securities	5	8
Gain on bargain purchase	142	-
Reversal of allowance for doubtful accounts	-	4
Other	17	-
Total extraordinary income	164	19
Extraordinary loss		
Loss on sales of noncurrent assets	-	103
Loss on retirement of noncurrent assets	25	17
Impairment loss	37	-
Loss on valuation of investment securities	4	0
Provision of allowance for doubtful accounts	277	-
Special retirement expenses	21	-
Other	17	24
Total extraordinary losses	383	146
Income before income taxes and minority interests	4,214	5,790
Income taxes-current	1,685	1,400
Income taxes-deferred	39	1,099
Total income taxes	1,724	2,499
Income before minority interests	2,489	3,290
Minority interests in income	64	87
Net income	2,425	3,203

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Income before minority interests	2,489	3,290
Other comprehensive income		
Valuation difference on available-for-sale securities	(13)	59
Foreign currency translation adjustment	10	128
Share of other comprehensive income of associates accounted for using equity method	(0)	1
Total other comprehensive income	(3)	188
Comprehensive income	2,486	3,479
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,423	3,393
Comprehensive income attributable to minority interests	63	85

Consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	4,214	5,790
Depreciation and amortization	2,128	2,312
Amortization of goodwill	684	683
Gain on bargain purchase	(142)	-
Impairment loss	37	-
Increase (decrease) in allowance for doubtful accounts	261	(7)
Increase (decrease) in provision for bonuses	(455)	(422)
Interest expenses	393	305
Loss (gain) on sales of noncurrent assets	-	97
Loss on retirement of noncurrent assets	25	17
Loss (gain) on valuation of investment securities	4	0
Decrease (increase) in notes and accounts receivable-trade	2,115	1,680
Decrease (increase) in inventories	(2,758)	860
Increase (decrease) in notes and accounts payable-trade	(7,196)	(2,952)
Other, net	(843)	(157)
Subtotal	<u>(1,531)</u>	<u>8,207</u>
Interest and dividends income received	62	99
Interest expenses paid	(392)	(295)
Income taxes paid	(3,836)	(3,544)
Income taxes refund	908	627
Net cash provided by (used in) operating activities	<u>(4,789)</u>	<u>5,094</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(2,076)	(1,971)
Proceeds from sales of property, plant and equipment	1,071	2,094
Purchase of investment securities	(92)	(26)
Proceeds from sales of investment securities	101	50
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(527)	-
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	259	-
Payments of loans receivable	(16)	(13)
Collection of loans receivable	65	59
Other, net	(147)	(56)
Net cash provided by (used in) investing activities	<u>(1,362)</u>	<u>135</u>

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	3,740	(2,122)
Proceeds from long-term loans payable	6,400	4,580
Repayment of long-term loans payable	(3,685)	(3,654)
Proceeds from issuance of common stock	-	1,644
Cash dividends paid	(875)	(1,191)
Repayments of lease obligations	(1,380)	(1,612)
Other, net	(82)	(262)
Net cash provided by (used in) financing activities	4,116	(2,620)
Effect of exchange rate change on cash and cash equivalents	26	21
Net increase (decrease) in cash and cash equivalents	(2,010)	2,630
Cash and cash equivalents at beginning of period	6,579	4,184
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(20)
Cash and cash equivalents at end of period	4,568	6,794