

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

November 9, 2015

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: November 13, 2015  
 Scheduled date to commence dividend payments: November 27, 2015  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	72,068	15.0	3,763	32.5	3,742	29.6	1,881	(9.4)
Six months ended September 30, 2014	62,670	3.7	2,840	(29.8)	2,888	(26.8)	2,076	(3.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	15.99		-	
Six months ended September 30, 2014	17.65		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2015	91,086	33,735	35.0	271.31
As of March 31, 2015	92,772	32,604	33.3	262.76

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2015	-	7.00	-	7.00	14.00
Year ending March 31, 2016	-	10.00	-	-	-
Year ending March 31, 2016 (Forecast)	-	-	-	8.00	18.00

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	146,000	7.1	8,100	10.2	8,000	7.6	4,700	1.4	39.95

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2015  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2015	119,381,034 shares	As of March 31, 2015	119,381,034 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	1,726,578 shares	As of March 31, 2015	1,726,578 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	117,654,456 shares	Six months ended September 30, 2014	117,654,460 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	6,106	6,434
Notes and accounts receivable - trade	5,017	4,569
Merchandise and finished goods	14,803	12,058
Work in process	805	1,076
Raw materials and supplies	62	69
Other	9,876	10,630
Allowance for doubtful accounts	(24)	(18)
Total current assets	36,647	34,822
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,254	20,695
Accumulated depreciation	(11,941)	(12,061)
Buildings and structures, net	8,313	8,634
Machinery, equipment and vehicles	3,603	3,652
Accumulated depreciation	(2,009)	(2,010)
Machinery, equipment and vehicles, net	1,594	1,641
Land	19,000	19,466
Other	10,026	10,222
Accumulated depreciation	(4,478)	(4,548)
Other, net	5,547	5,674
Total property, plant and equipment	34,455	35,417
Intangible assets		
Goodwill	12,520	12,066
Other	527	516
Total intangible assets	13,047	12,583
Investments and other assets		
Investment securities	6,178	5,617
Other	3,402	3,605
Allowance for doubtful accounts	(958)	(959)
Total investments and other assets	8,622	8,263
Total non-current assets	56,125	56,264
Total assets	92,772	91,086

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	15,903	11,035
Short-term loans payable	10,351	11,830
Income taxes payable	753	1,203
Provision for bonuses	862	895
Other	13,945	14,772
Total current liabilities	41,817	39,737
Non-current liabilities		
Bonds payable	675	508
Long-term loans payable	10,701	10,239
Provision for directors' retirement benefits	596	624
Net defined benefit liability	730	727
Asset retirement obligations	320	322
Other	5,326	5,191
Total non-current liabilities	18,350	17,613
Total liabilities	60,168	57,351
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,297	4,297
Capital surplus	2,832	2,832
Retained earnings	23,402	24,466
Treasury shares	(98)	(98)
Total shareholders' equity	30,433	31,497
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	377	334
Revaluation reserve for land	29	29
Foreign currency translation adjustment	73	58
Total accumulated other comprehensive income	480	423
Subscription rights to shares	–	22
Non-controlling interests	1,689	1,792
Total net assets	32,604	33,735
Total liabilities and net assets	92,772	91,086

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	62,670	72,068
Cost of sales	50,478	58,069
Gross profit	12,192	13,998
Selling, general and administrative expenses	9,351	10,235
Operating income	2,840	3,763
Non-operating income		
Rent income	37	37
Share of profit of entities accounted for using equity method	83	85
Other	162	135
Total non-operating income	283	257
Non-operating expenses		
Interest expenses	161	158
Foreign exchange losses	–	70
Other	73	50
Total non-operating expenses	235	279
Ordinary income	2,888	3,742
Extraordinary income		
Gain on step acquisitions	87	–
Gain on change in equity	524	–
Gain on sales of non-current assets	8	0
Gain on sales of investment securities	3	11
Total extraordinary income	623	11
Extraordinary losses		
Loss on sales of non-current assets	6	0
Loss on retirement of non-current assets	34	15
Loss on valuation of investment securities	113	572
Other	14	111
Total extraordinary losses	168	699
Income before income taxes and minority interests	3,343	3,053
Income taxes - current	800	1,317
Income taxes - deferred	336	(251)
Total income taxes	1,137	1,066
Profit	2,206	1,987
Profit attributable to non-controlling interests	129	106
Profit attributable to owners of parent	2,076	1,881

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	2,206	1,987
Other comprehensive income		
Valuation difference on available-for-sale securities	19	(42)
Foreign currency translation adjustment	14	(26)
Share of other comprehensive income of entities accounted for using equity method	1	3
Total other comprehensive income	35	(65)
Comprehensive income	2,241	1,921
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,109	1,823
Comprehensive income attributable to non-controlling interests	132	98

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	3,343	3,053
Depreciation	1,655	1,749
Amortization of goodwill	472	500
Increase (decrease) in allowance for doubtful accounts	3	(3)
Increase (decrease) in provision for bonuses	(8)	28
Interest expenses	161	158
Loss (gain) on step acquisitions	(87)	–
Loss (gain) on change in equity	(524)	–
Loss (gain) on sales of non-current assets	(2)	(0)
Loss on retirement of non-current assets	34	15
Loss (gain) on valuation of investment securities	113	572
Decrease (increase) in notes and accounts receivable - trade	175	1,310
Decrease (increase) in inventories	(1,153)	2,596
Increase (decrease) in notes and accounts payable - trade	(6,558)	(4,806)
Other, net	(1,163)	(529)
Subtotal	(3,537)	4,647
Interest and dividend income received	81	80
Interest expenses paid	(163)	(156)
Income taxes paid	(2,654)	(1,269)
Net cash provided by (used in) operating activities	(6,273)	3,302
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,386)	(2,444)
Proceeds from sales of property, plant and equipment	918	957
Purchase of investment securities	(10)	(107)
Proceeds from sales of investment securities	11	112
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(417)	(65)
Payments of loans receivable	(18)	(5)
Collection of loans receivable	36	28
Other, net	(38)	(55)
Net cash provided by (used in) investing activities	(2,904)	(1,579)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,302	1,247
Proceeds from long-term loans payable	3,467	1,641
Repayments of long-term loans payable	(1,898)	(1,971)
Cash dividends paid	(823)	(823)
Repayments of lease obligations	(1,286)	(1,404)
Other, net	(190)	(189)
Net cash provided by (used in) financing activities	5,569	(1,500)
Effect of exchange rate change on cash and cash equivalents	(2)	49
Net increase (decrease) in cash and cash equivalents	(3,610)	271
Cash and cash equivalents at beginning of period	7,597	6,056
Increase in cash and cash equivalents from newly consolidated subsidiary	5	–
Cash and cash equivalents at end of period	3,992	6,328