

The original disclosure in Japanese was released on August 10, 2017 at 16:00 (GMT +9).

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

August 10, 2017

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: August 10, 2017
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2017	46,907	47.2	1,172	21.6	1,247	39.8	651	49.2
Three months ended June 30, 2016	31,856	(7.4)	964	(30.2)	892	(38.2)	436	(27.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	5.53	–
Three months ended June 30, 2016	3.71	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2017	121,805	37,694	28.5	295.34
As of March 31, 2017	121,493	37,642	28.8	297.33

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	8.00	–	9.00	17.00
Year ending March 31, 2018	–	–	–	–	–
Year ending March 31, 2018 (Forecast)	–	9.00	–	9.00	18.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2017	95,000	29.3	3,500	15.0	3,500	14.9	1,900	12.4	16.15
Full year	196,000	15.6	8,500	12.0	8,500	7.1	4,800	8.5	40.80

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
 (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: No
- 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 June 30, 2017	119,381,034 shares	As of March 31, 2017	119,381,034 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	1,726,578 shares	As of March 31, 2017	1,726,578 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	117,654,456 shares	Three months ended June 30, 2016	117,654,456 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	6,490	8,507
Notes and accounts receivable - trade	6,010	5,760
Merchandise and finished goods	23,933	22,619
Work in process	2,687	2,720
Raw materials and supplies	72	74
Other	15,582	15,161
Allowance for doubtful accounts	(74)	(62)
Total current assets	54,702	54,782
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,861	24,974
Accumulated depreciation	(13,693)	(13,855)
Buildings and structures, net	11,168	11,118
Machinery, equipment and vehicles	6,307	6,677
Accumulated depreciation	(2,495)	(2,643)
Machinery, equipment and vehicles, net	3,812	4,033
Land	20,868	20,968
Other	12,686	12,763
Accumulated depreciation	(5,162)	(5,188)
Other, net	7,524	7,575
Total property, plant and equipment	43,373	43,695
Intangible assets		
Goodwill	13,324	13,044
Other	616	601
Total intangible assets	13,940	13,646
Investments and other assets		
Investment securities	5,892	5,961
Other	4,499	4,634
Allowance for doubtful accounts	(914)	(915)
Total investments and other assets	9,477	9,680
Total non-current assets	66,791	67,023
Total assets	121,493	121,805

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,646	18,928
Short-term loans payable	16,311	21,238
Lease obligations	12,670	12,651
Income taxes payable	746	586
Provision for bonuses	967	482
Other	7,750	9,024
Total current liabilities	62,091	62,912
Non-current liabilities		
Bonds payable	287	287
Long-term loans payable	12,391	12,037
Provision for directors' retirement benefits	748	764
Net defined benefit liability	777	776
Asset retirement obligations	380	382
Other	7,175	6,951
Total non-current liabilities	21,759	21,199
Total liabilities	83,851	84,111
Net assets		
Shareholders' equity		
Capital stock	4,297	4,297
Capital surplus	2,832	2,832
Retained earnings	28,038	27,630
Treasury shares	(98)	(98)
Total shareholders' equity	35,069	34,661
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	430	488
Foreign currency translation adjustment	(517)	(401)
Total accumulated other comprehensive income	(87)	86
Subscription rights to shares	137	152
Non-controlling interests	2,522	2,793
Total net assets	37,642	37,694
Total liabilities and net assets	121,493	121,805

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	31,856	46,907
Cost of sales	25,601	39,321
Gross profit	6,255	7,586
Selling, general and administrative expenses	5,290	6,413
Operating profit	964	1,172
Non-operating income		
Rent income	18	18
Share of profit of entities accounted for using equity method	85	37
Foreign exchange gains	–	61
Other	102	77
Total non-operating income	205	193
Non-operating expenses		
Interest expenses	76	83
Foreign exchange losses	165	–
Other	36	35
Total non-operating expenses	278	118
Ordinary profit	892	1,247
Extraordinary income		
Gain on sales of investment securities	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	9	1
Loss on removal of non-current assets	4	3
Loss on valuation of investment securities	11	–
Other	–	0
Total extraordinary losses	24	5
Profit before income taxes	868	1,242
Income taxes - current	379	532
Income taxes - deferred	78	(64)
Total income taxes	458	467
Profit	410	774
Profit (loss) attributable to non-controlling interests	(26)	123
Profit attributable to owners of parent	436	651

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	410	774
Other comprehensive income		
Valuation difference on available-for-sale securities	(14)	55
Foreign currency translation adjustment	(286)	109
Share of other comprehensive income of entities accounted for using equity method	(6)	0
Total other comprehensive income	(307)	165
Comprehensive income	102	940
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	128	824
Comprehensive income attributable to non-controlling interests	(25)	116