

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2015 (Based on Japanese GAAP)

May 8, 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 of ordinary general meeting of shareholders: June 25, 2015  
 Scheduled date to file Securities Report: June 25, 2015  
 Scheduled date to commence dividend payments: June 11, 2015  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

#### (1) Consolidated financial results

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	%
Year ended March 31, 2015	136,376	2.8	7,347	(27.1)	7,434	(25.5)	4,633	(9.6)
Year ended March 31, 2014	132,682	12.1	10,082	29.1	9,976	30.3	5,126	7.4

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2015	39.38	–	15.8	8.5	5.4
Year ended March 31, 2014	46.29	45.61	21.3	12.3	7.6

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	92,772	32,604	33.3	262.76
As of March 31, 2014	82,337	28,955	33.9	237.24

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2015	4,259	(5,017)	(778)	6,056
Year ended March 31, 2014	13,929	(570)	(9,939)	7,597

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2014	–	16.00	–	21.00	37.00	1,403	26.6	5.8
Year ended March 31, 2015	–	7.00	–	7.00	14.00	1,647	35.5	5.6
Year ending March 31, 2016 (Forecast)	–	8.00	–	8.00	16.00		40.1	

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		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	68,000	8.5	3,000	5.6	2,950	2.1	1,600	(23.0)	13.60
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 year ended March 31, 2015

(changes in specified subsidiaries resulting in the change in scope of consolidation):

Yes

(2) 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 after error corrections:

No

(3) Number of issued shares (common shares)

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

As of March 31, 2015	119,381,034 shares	As of March 31, 2014	119,381,034 shares
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Number of treasury shares at the end of the period

As of March 31, 2015	1,726,578 shares	As of March 31, 2014	1,726,500 shares
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Average number of shares during the period

Year ended March 31, 2015	117,654,458 shares	Year ended March 31, 2014	110,756,908 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	7,657	6,106
Notes and accounts receivable - trade	4,593	5,017
Lease receivables and investment assets	5,699	6,282
Merchandise and finished goods	10,330	14,803
Work in process	328	805
Raw materials and supplies	69	62
Deferred tax assets	880	678
Other	2,106	2,915
Allowance for doubtful accounts	(22)	(24)
Total current assets	31,642	36,647
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,861	20,254
Accumulated depreciation	(11,331)	(11,941)
Buildings and structures, net	6,530	8,313
Machinery, equipment and vehicles	3,459	3,603
Accumulated depreciation	(1,934)	(2,009)
Machinery, equipment and vehicles, net	1,524	1,594
Land	17,294	19,000
Leased assets	7,978	8,437
Accumulated depreciation	(3,688)	(3,336)
Leased assets, net	4,289	5,101
Other	1,301	1,588
Accumulated depreciation	(960)	(1,142)
Other, net	340	446
Total property, plant and equipment	29,979	34,455
Intangible assets		
Goodwill	11,696	12,520
Other	544	527
Total intangible assets	12,240	13,047
Investments and other assets		
Investment securities	5,417	6,178
Long-term loans receivable	696	327
Deferred tax assets	303	314
Guarantee deposits	1,088	1,112
Other	2,240	1,648
Allowance for doubtful accounts	(1,271)	(958)
Total investments and other assets	8,474	8,622
Total non-current assets	50,694	56,125
Total assets	82,337	92,772

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	15,367	15,903
Short-term loans payable	6,302	10,351
Lease obligations	7,630	8,500
Accounts payable - other	419	477
Income taxes payable	1,968	753
Provision for bonuses	859	862
Other	5,188	4,967
<b>Total current liabilities</b>	<b>37,736</b>	<b>41,817</b>
<b>Non-current liabilities</b>		
Bonds payable	1,146	675
Long-term loans payable	8,411	10,701
Lease obligations	2,468	3,187
Deferred tax liabilities	1,421	1,577
Provision for directors' retirement benefits	547	596
Net defined benefit liability	761	730
Long-term accounts payable - other	183	180
Asset retirement obligations	301	320
Other	405	380
<b>Total non-current liabilities</b>	<b>15,645</b>	<b>18,350</b>
<b>Total liabilities</b>	<b>53,382</b>	<b>60,168</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	4,297	4,297
Capital surplus	2,832	2,832
Retained earnings	20,421	23,402
Treasury shares	(98)	(98)
<b>Total shareholders' equity</b>	<b>27,452</b>	<b>30,433</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	281	377
Revaluation reserve for land	29	29
Foreign currency translation adjustment	148	73
<b>Total accumulated other comprehensive income</b>	<b>460</b>	<b>480</b>
<b>Minority interests</b>	<b>1,042</b>	<b>1,689</b>
<b>Total net assets</b>	<b>28,955</b>	<b>32,604</b>
<b>Total liabilities and net assets</b>	<b>82,337</b>	<b>92,772</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	132,682	136,376
Cost of sales	104,403	109,621
Gross profit	28,278	26,755
Selling, general and administrative expenses		
Promotion expenses	1,108	1,126
Haulage expenses	411	434
Advertising expenses	936	1,029
Directors' compensations, salaries and allowances	6,863	7,206
Bonuses	616	553
Retirement benefit expenses	321	303
Welfare expenses	1,143	1,300
Provision for bonuses	516	518
Provision for directors' retirement benefits	140	67
Entertainment expenses	69	93
Traveling and transportation expenses	248	243
Communication expenses	205	230
Utilities expenses	314	357
Insurance expenses	105	128
Supplies expenses	210	215
Taxes and dues	234	278
Repair expenses	153	171
Vehicle expenses	165	212
Depreciation	560	679
Rent expenses	2,064	2,175
Provision of allowance for doubtful accounts	5	–
Amortization of goodwill	911	967
Other	888	1,114
Total selling, general and administrative expenses	18,196	19,408
Operating income	10,082	7,347
Non-operating income		
Interest income	20	29
Dividend income	41	47
Share of profit of entities accounted for using equity method	136	158
Rent income	121	74
Other	149	260
Total non-operating income	469	570
Non-operating expenses		
Interest expenses	389	330
Rent cost of real estate	103	72
Other	81	80
Total non-operating expenses	574	483
Ordinary income	9,976	7,434

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Extraordinary income		
Gain on step acquisitions	–	87
Gain on change in equity	–	524
Gain on sales of non-current assets	7	9
Gain on sales of investment securities	13	3
Reversal of allowance for doubtful accounts	4	–
Total extraordinary income	24	624
Extraordinary losses		
Loss on sales of non-current assets	121	7
Loss on retirement of non-current assets	62	77
Loss on sales of investment securities	0	–
Loss on valuation of investment securities	41	113
Impairment loss	6	71
Provision of allowance for doubtful accounts	323	–
Other	38	28
Total extraordinary losses	594	298
Income before income taxes and minority interests	9,406	7,760
Income taxes - current	3,477	2,496
Income taxes - deferred	681	370
Total income taxes	4,158	2,867
Income before minority interests	5,248	4,893
Minority interests in income	121	259
Net income	5,126	4,633

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	5,248	4,893
Other comprehensive income		
Valuation difference on available-for-sale securities	19	99
Foreign currency translation adjustment	115	(73)
Share of other comprehensive income of entities accounted for using equity method	(6)	3
Total other comprehensive income	127	28
Comprehensive income	5,375	4,921
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,255	4,654
Comprehensive income attributable to minority interests	119	267

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,493	1,029	16,488	(134)	19,876
Changes of items during period					
Issuance of new shares	1,803	1,803			3,607
Dividends of surplus			(1,191)		(1,191)
Net income			5,126		5,126
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		36	35
Change of scope of consolidation			(1)		(1)
Net changes of items other than shareholders' equity					
Total changes of items during period	1,803	1,802	3,932	36	7,575
Balance at end of current period	4,297	2,832	20,421	(98)	27,452

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	261	37	31	330	12	937	21,157
Changes of items during period							
Issuance of new shares							3,607
Dividends of surplus							(1,191)
Net income							5,126
Purchase of treasury shares							(0)
Disposal of treasury shares							35
Change of scope of consolidation							(1)
Net changes of items other than shareholders' equity	20	(7)	116	129	(12)	105	222
Total changes of items during period	20	(7)	116	129	(12)	105	7,797
Balance at end of current period	281	29	148	460	-	1,042	28,955



Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	4,297	2,832	20,421	(98)	27,452
Changes of items during period					
Issuance of new shares					
Dividends of surplus			(1,647)		(1,647)
Net income			4,633		4,633
Purchase of treasury shares				(0)	(0)
Change of scope of consolidation			(5)		(5)
Net changes of items other than shareholders' equity					
Total changes of items during period			2,981	(0)	2,981
Balance at end of current period	4,297	2,832	23,402	(98)	30,433

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	281	29	148	460	1,042	28,955
Changes of items during period						
Issuance of new shares						
Dividends of surplus						(1,647)
Net income						4,633
Purchase of treasury shares						(0)
Change of scope of consolidation						(5)
Net changes of items other than shareholders' equity	95	–	(74)	20	646	667
Total changes of items during period	95	–	(74)	20	646	3,648
Balance at end of current period	377	29	73	480	1,689	32,604

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	9,406	7,760
Depreciation	3,150	3,463
Impairment loss	6	71
Amortization of goodwill	911	967
Increase (decrease) in allowance for doubtful accounts	319	(8)
Increase (decrease) in provision for bonuses	49	(25)
Increase (decrease) in provision for directors' retirement benefits	137	49
Increase (decrease) in net defined benefit liability	21	(104)
Interest and dividend income	(62)	(76)
Interest expenses	389	330
Foreign exchange losses (gains)	(0)	3
Share of (profit) loss of entities accounted for using equity method	(136)	(158)
Loss (gain) on sales of non-current assets	114	(1)
Loss on retirement of non-current assets	62	77
Loss (gain) on valuation of investment securities	41	113
Loss (gain) on sales of investment securities	(13)	(3)
Loss (gain) on step acquisitions	–	(87)
Loss (gain) on change in equity	–	(524)
Decrease (increase) in notes and accounts receivable - trade	(138)	(263)
Decrease (increase) in inventories	303	(1,794)
Increase (decrease) in notes and accounts payable - trade	2,305	(609)
Decrease (increase) in other current assets	(8)	(407)
Increase (decrease) in other current liabilities	126	(358)
Increase (decrease) in accrued consumption taxes	76	190
Other, net	51	(63)
Subtotal	17,114	8,541
Interest and dividend income received	119	129
Interest expenses paid	(382)	(329)
Income taxes paid	(3,549)	(4,083)
Income taxes refund	627	–
Net cash provided by (used in) operating activities	13,929	4,259
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,032)	(5,461)
Proceeds from sales of property, plant and equipment	2,506	2,130
Purchase of intangible assets	(41)	(54)
Purchase of investment securities	(41)	(10)
Proceeds from sales of investment securities	65	12
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,772)
Payments of loans receivable	(49)	(25)
Collection of loans receivable	83	78
Payments for lease and guarantee deposits	(109)	(104)
Proceeds from collection of lease and guarantee deposits	70	78
Other, net	(20)	110
Net cash provided by (used in) investing activities	(570)	(5,017)

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(8,315)	2,061
Proceeds from long-term loans payable	5,530	6,502
Repayments of long-term loans payable	(7,201)	(4,665)
Proceeds from issuance of bonds	242	–
Redemption of bonds	(432)	(368)
Proceeds from issuance of common shares	3,583	–
Purchase of treasury shares	(0)	(0)
Proceeds from sales of treasury shares	30	–
Cash dividends paid	(1,191)	(1,647)
Cash dividends paid to minority shareholders	(14)	(14)
Repayments of lease obligations	(2,168)	(2,644)
Other, net	(1)	(1)
Net cash provided by (used in) financing activities	(9,939)	(778)
Effect of exchange rate change on cash and cash equivalents	14	(9)
Net increase (decrease) in cash and cash equivalents	3,433	(1,546)
Cash and cash equivalents at beginning of period	4,184	7,597
Increase in cash and cash equivalents from newly consolidated subsidiary	–	5
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(20)	–
Cash and cash equivalents at end of period	7,597	6,056