

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

August 8, 2016

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, 2016
 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, 2016 (from April 1, 2016 to June 30, 2016)

(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	%
Three months ended June 30, 2016	31,856	(7.4)	964	(30.2)	892	(38.2)	436	(27.7)
Three months ended June 30, 2015	34,400	20.5	1,382	56.3	1,443	55.2	603	18.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2016	3.71		–	
Three months ended June 30, 2015	5.13		–	

(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, 2016	103,548	33,859	30.8	271.16
As of March 31, 2016	94,979	34,697	34.4	278.07

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, 2016	–	10.00	–	8.00	18.00
Year ending March 31, 2017	–				
Year ending March 31, 2017 (Forecast)		8.00	–	8.00	16.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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
Six months ending September 30, 2016	74,000	2.7	2,400	(36.2)	2,400	(35.9)	1,300	(30.9)	11.05
Full year	167,000	14.0	6,700	(12.1)	6,700	(11.9)	3,800	(7.1)	32.30

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016
(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 June 30, 2016	119,381,034 shares	As of March 31, 2016	119,381,034 shares
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Number of treasury shares at the end of the period

As of June 30, 2016	1,726,578 shares	As of March 31, 2016	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, 2016	117,654,456 shares	Three months ended June 30, 2015	117,654,456 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	7,456	8,747
Notes and accounts receivable - trade	4,662	4,745
Merchandise and finished goods	13,564	15,318
Work in process	1,683	2,497
Raw materials and supplies	82	82
Other	11,002	12,109
Allowance for doubtful accounts	(32)	(33)
Total current assets	38,419	43,466
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,731	22,161
Accumulated depreciation	(12,014)	(12,313)
Buildings and structures, net	8,716	9,847
Machinery, equipment and vehicles	3,978	4,416
Accumulated depreciation	(1,960)	(1,984)
Machinery, equipment and vehicles, net	2,017	2,431
Land	19,407	20,275
Other	10,918	10,676
Accumulated depreciation	(4,472)	(4,524)
Other, net	6,446	6,152
Total property, plant and equipment	36,587	38,707
Intangible assets		
Goodwill	11,528	12,510
Other	560	557
Total intangible assets	12,088	13,068
Investments and other assets		
Investment securities	5,549	5,530
Other	3,295	3,737
Allowance for doubtful accounts	(962)	(962)
Total investments and other assets	7,882	8,306
Total non-current assets	56,559	60,081
Total assets	94,979	103,548

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,233	11,416
Short-term loans payable	13,621	23,258
Income taxes payable	1,388	320
Provision for bonuses	883	429
Other	14,807	17,013
Total current liabilities	44,935	52,439
Non-current liabilities		
Bonds payable	381	381
Long-term loans payable	8,126	9,483
Provision for directors' retirement benefits	657	676
Net defined benefit liability	720	803
Asset retirement obligations	336	373
Other	5,123	5,530
Total non-current liabilities	15,346	17,249
Total liabilities	60,281	69,688
Net assets		
Shareholders' equity		
Capital stock	4,297	4,297
Capital surplus	2,832	2,832
Retained earnings	25,498	24,994
Treasury shares	(98)	(98)
Total shareholders' equity	32,530	32,025
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	313	294
Revaluation reserve for land	29	29
Foreign currency translation adjustment	(156)	(446)
Total accumulated other comprehensive income	186	(122)
Subscription rights to shares	60	79
Non-controlling interests	1,920	1,876
Total net assets	34,697	33,859
Total liabilities and net assets	94,979	103,548

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, 2015	Three months ended June 30, 2016
Net sales	34,400	31,856
Cost of sales	27,834	25,601
Gross profit	6,566	6,255
Selling, general and administrative expenses	5,183	5,290
Operating income	1,382	964
Non-operating income		
Rent income	18	18
Share of profit of entities accounted for using equity method	51	85
Other	95	102
Total non-operating income	164	205
Non-operating expenses		
Interest expenses	79	76
Foreign exchange losses	–	165
Other	24	36
Total non-operating expenses	103	278
Ordinary income	1,443	892
Extraordinary income		
Gain on sales of investment securities	0	0
Other	0	–
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	0	9
Loss on valuation of investment securities	572	11
Other	0	4
Total extraordinary losses	573	24
Profit before income taxes	870	868
Income taxes - current	580	379
Income taxes - deferred	(313)	78
Total income taxes	266	458
Profit	603	410
Loss attributable to non-controlling interests	(0)	(26)
Profit attributable to owners of parent	603	436

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Profit	603	410
Other comprehensive income		
Valuation difference on available-for-sale securities	(14)	(14)
Foreign currency translation adjustment	167	(286)
Share of other comprehensive income of entities accounted for using equity method	13	(6)
Total other comprehensive income	167	(307)
Comprehensive income	771	102
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	771	128
Comprehensive income attributable to non-controlling interests	(0)	(25)