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Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 9, 2018

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 13, 2018
 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 nine months ended December 31, 2017 (from April 1, 2017 to December 31, 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	%
Nine months ended December 31, 2017	141,914	24.5	4,196	0.8	4,464	2.7	2,293	1.3
Nine months ended December 31, 2016	113,980	8.9	4,162	(12.1)	4,349	(8.1)	2,263	(4.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2017	19.49		–	
Nine months ended December 31, 2016	19.24		–	

(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, 2017	132,294	39,169	27.1	304.85
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				
Year ended March 31, 2017	–	8.00	–	9.00	17.00
Year ending March 31, 2018	–	9.00	–		
Year ending March 31, 2018 (Forecast)				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
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 nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2017	117,654,456 shares	Nine months ended December 31, 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 December 31, 2017
Assets		
Current assets		
Cash and deposits	6,490	10,877
Notes and accounts receivable - trade	6,010	4,964
Merchandise and finished goods	23,933	26,503
Work in process	2,687	4,504
Raw materials and supplies	72	76
Other	15,582	15,118
Allowance for doubtful accounts	(74)	(67)
Total current assets	54,702	61,977
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,861	26,569
Accumulated depreciation	(13,693)	(14,340)
Buildings and structures, net	11,168	12,229
Machinery, equipment and vehicles	6,307	8,196
Accumulated depreciation	(2,495)	(3,104)
Machinery, equipment and vehicles, net	3,812	5,091
Land	20,868	21,260
Other	12,686	13,935
Accumulated depreciation	(5,162)	(5,694)
Other, net	7,524	8,240
Total property, plant and equipment	43,373	46,821
Intangible assets		
Goodwill	13,324	12,697
Other	616	586
Total intangible assets	13,940	13,283
Investments and other assets		
Investment securities	5,892	6,456
Other	4,499	4,671
Allowance for doubtful accounts	(914)	(916)
Total investments and other assets	9,477	10,211
Total non-current assets	66,791	70,316
Total assets	121,493	132,294

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,646	23,990
Short-term loans payable	16,311	22,393
Lease obligations	12,670	13,370
Income taxes payable	746	552
Provision for bonuses	967	476
Other	7,750	9,000
Total current liabilities	62,091	69,783
Non-current liabilities		
Bonds payable	287	280
Long-term loans payable	12,391	13,656
Provision for directors' retirement benefits	748	798
Net defined benefit liability	777	785
Asset retirement obligations	380	392
Other	7,175	7,427
Total non-current liabilities	21,759	23,340
Total liabilities	83,851	93,124
Net assets		
Shareholders' equity		
Capital stock	4,297	4,297
Capital surplus	2,832	2,832
Retained earnings	28,038	28,214
Treasury shares	(98)	(98)
Total shareholders' equity	35,069	35,245
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	430	555
Foreign currency translation adjustment	(517)	65
Total accumulated other comprehensive income	(87)	621
Subscription rights to shares	137	143
Non-controlling interests	2,522	3,159
Total net assets	37,642	39,169
Total liabilities and net assets	121,493	132,294

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, 2016	Nine months ended December 31, 2017
Net sales	113,980	141,914
Cost of sales	92,702	118,163
Gross profit	21,278	23,751
Selling, general and administrative expenses	17,115	19,555
Operating profit	4,162	4,196
Non-operating income		
Rent income	55	55
Share of profit of entities accounted for using equity method	155	133
Foreign exchange gains	–	165
Subsidy income	195	65
Other	171	199
Total non-operating income	577	619
Non-operating expenses		
Interest expenses	241	261
Foreign exchange losses	54	–
Other	95	89
Total non-operating expenses	391	351
Ordinary profit	4,349	4,464
Extraordinary income		
Gain on sales of non-current assets	0	2
Gain on sales of investment securities	2	3
Gain on bargain purchase	–	6
Gain on reversal of subscription rights to shares	–	9
Total extraordinary income	2	20
Extraordinary losses		
Loss on sales of non-current assets	–	3
Loss on retirement of non-current assets	35	77
Loss on removal of non-current assets	20	51
Loss on closing of stores	42	–
Other	–	0
Total extraordinary losses	98	133
Profit before income taxes	4,253	4,352
Income taxes - current	959	1,159
Income taxes - deferred	913	460
Total income taxes	1,872	1,620
Profit	2,381	2,732
Profit attributable to non-controlling interests	117	438
Profit attributable to owners of parent	2,263	2,293

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	2,381	2,732
Other comprehensive income		
Valuation difference on available-for-sale securities	97	123
Foreign currency translation adjustment	(440)	621
Share of other comprehensive income of entities accounted for using equity method	(18)	11
Total other comprehensive income	(361)	755
Comprehensive income	2,019	3,487
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,893	3,002
Comprehensive income attributable to non-controlling interests	125	485