

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on IFRS)

February 12, 2021

Company name: VT HOLDINGS CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Securities 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 12, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2020	138,239	(11.5)	5,425	1.9	5,409	9.3	4,000	24.1	3,379	16.2	5,014	60.6
Nine months ended December 31, 2019	156,232	(2.0)	5,322	1.9	4,949	0.8	3,224	5.7	2,908	(2.4)	3,123	40.2

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	29.07		29.07	
Nine months ended December 31, 2019	24.78		24.78	

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2020	167,083	42,592	38,163	22.8
As of March 31, 2020	167,912	40,705	36,882	22.0

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, 2020	–	10.00	–	10.00	20.00
Year ending March 31, 2021	–	10.00	–		
Year ending March 31, 2021 (Forecast)				10.00	20.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	199,000	(4.1)	5,800	9.9	5,400	17.1	3,200	53.9	27.58

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2020  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates  
 Changes in accounting policies required by IFRS: No  
 Changes in accounting policies due to other reasons: No  
 Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

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

As of December 31, 2020	119,381,034 shares	As of March 31, 2020	119,381,034 shares
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Number of treasury shares at end of period

As of December 31, 2020	4,026,580 shares	As of March 31, 2020	2,026,580 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2020	116,231,763 shares	Nine months ended December 31, 2019	117,354,454 shares
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**Condensed quarterly consolidated financial statements**  
**Condensed quarterly consolidated statement of financial position**

	As of March 31, 2020	As of December 31, 2020
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	9,490	8,469
Trade and other receivables	16,853	13,866
Other financial assets	90	61
Inventories	37,935	39,623
Other current assets	4,694	5,423
Total current assets	69,063	67,442
Non-current assets		
Property, plant and equipment	62,286	62,157
Goodwill	12,624	12,762
Intangible assets	700	675
Investment property	6,730	6,880
Investments accounted for using equity method	8,533	8,800
Other financial assets	6,630	7,341
Deferred tax assets	1,223	892
Other non-current assets	122	133
Total non-current assets	98,849	99,641
Total assets	167,912	167,083

	As of March 31, 2020	As of December 31, 2020
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	32,110	30,324
Trade and other payables	40,279	31,768
Other financial liabilities	5,763	5,914
Income taxes payable	864	550
Contract liabilities	8,873	10,010
Other current liabilities	2,270	2,295
Total current liabilities	90,160	80,861
Non-current liabilities		
Bonds and borrowings	13,970	21,966
Other financial liabilities	19,375	17,762
Provisions	497	518
Deferred tax liabilities	1,639	1,746
Other non-current liabilities	1,565	1,637
Total non-current liabilities	37,046	43,630
Total liabilities	127,207	124,491
Equity		
Share capital	4,297	4,297
Capital surplus	2,847	2,850
Treasury shares	(272)	(1,028)
Other components of equity	(146)	348
Retained earnings	30,156	31,696
Total equity attributable to owners of parent	36,882	38,163
Non-controlling interests	3,823	4,428
Total equity	40,705	42,592
Total liabilities and equity	167,912	167,083

**Condensed quarterly consolidated statements of income and condensed quarterly consolidated statements of comprehensive income**

**Condensed quarterly consolidated statements of income**

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
	Millions of yen	Millions of yen
Revenue	156,232	138,239
Cost of sales	130,957	115,500
Gross profit	25,275	22,739
Selling, general and administrative expenses	20,300	19,515
Other income	466	2,282
Other expenses	119	80
Operating profit	5,322	5,425
Finance income	77	217
Finance costs	653	596
Share of profit of investments accounted for using equity method	202	363
Profit before tax	4,949	5,409
Income tax expense	1,724	1,409
Profit	3,224	4,000
Profit attributable to		
Owners of parent	2,908	3,379
Non-controlling interests	316	621
Profit	3,224	4,000
Earnings per share		
Basic earnings per share	24.78	29.07
Diluted earnings per share	24.78	29.07

## Condensed quarterly consolidated statements of comprehensive income

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
	Millions of yen	Millions of yen
Profit	3,224	4,000
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(107)	482
Share of other comprehensive income of investments accounted for using equity method	2	10
Total of items that will not be reclassified to profit or loss	(105)	492
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(4)	533
Share of other comprehensive income of investments accounted for using equity method	7	(11)
Total of items that may be reclassified to profit or loss	3	522
Other comprehensive income	(102)	1,014
Comprehensive income	3,123	5,014
Comprehensive income attributable to		
Owners of parent	2,806	4,364
Non-controlling interests	316	650
Comprehensive income	3,123	5,014

## Condensed quarterly consolidated statement of changes in equity

Nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Share acquisition rights
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at April 1, 2019	4,297	2,843	(272)	189	141
Accounting change	–	–	–	–	–
Restated balance	4,297	2,843	(272)	189	141
Profit					
Other comprehensive income				9	
Comprehensive income	–	–	–	9	–
Change in scope of consolidation					
Forfeiture of share acquisition rights		3			(3)
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	3	–	–	(3)
Balance at December 31, 2019	4,297	2,846	(272)	198	138

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total
	Financial assets measured at fair value through other comprehensive income	Total	Retained earnings			
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2019	–	330	32,846	40,044	3,423	43,467
Accounting change	–	–	(1,971)	(1,971)	(18)	(1,989)
Restated balance	–	330	30,875	38,073	3,405	41,478
Profit		–	2,908	2,908	316	3,224
Other comprehensive income	(111)	(102)		(102)	0	(102)
Comprehensive income	(111)	(102)	2,908	2,806	316	3,123
Change in scope of consolidation		–	2	2		2
Forfeiture of share acquisition rights		(3)		–		–
Transfer to retained earnings	111	111	(111)	–		–
Dividends		–	(2,347)	(2,347)	(48)	(2,395)
Total transactions with owners	111	107	(2,456)	(2,346)	(48)	(2,393)
Balance at December 31, 2019	–	336	31,327	38,533	3,673	42,207

Nine months ended December 31, 2020 (from April 1, 2020 to December 31, 2020)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Exchange differences on translation of foreign operations	Share acquisition rights
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2020	4,297	2,847	(272)	(283)	137
Profit					
Other comprehensive income				497	
Comprehensive income	–	–	–	497	–
Purchase of treasury shares			(755)		
Forfeiture of share acquisition rights		3			(3)
Transfer to retained earnings					
Dividends					
Total transactions with owners	–	3	(755)	–	(3)
Balance at December 31, 2020	4,297	2,850	(1,028)	214	134

	Equity attributable to owners of parent						
	Financial assets measured at fair value through other comprehensive income	Total		Retained earnings	Total	Non-controlling interests	Total
		Millions of yen	Millions of yen				
Balance at April 1, 2020	–	(146)	30,156	36,882	3,823	40,705	
Profit		–	3,379	3,379	621	4,000	
Other comprehensive income	488	985		985	29	1,014	
Comprehensive income	488	985	3,379	4,364	650	5,014	
Purchase of treasury shares		–		(755)		(755)	
Forfeiture of share acquisition rights		(3)		–		–	
Transfer to retained earnings	(488)	(488)	488	–		–	
Dividends		–	(2,327)	(2,327)	(45)	(2,372)	
Total transactions with owners	(488)	(491)	(1,839)	(3,082)	(45)	(3,127)	
Balance at December 31, 2020	–	348	31,696	38,163	4,428	42,592	

## Condensed quarterly consolidated statements of cash flows

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	4,949	5,409
Depreciation and amortization	6,322	6,500
Gain on bargain purchase	–	(1,185)
Interest and dividend income	(72)	(57)
Interest expenses	550	555
Foreign exchange loss (gain)	62	(151)
Share of loss (profit) of investments accounted for using equity method	(202)	(363)
Loss (gain) on sale of fixed assets	(146)	(223)
Loss on retirement of non-current assets	39	2
Decrease (increase) in trade receivables	798	499
Decrease (increase) in inventories	1,728	2,504
Increase (decrease) in trade payables	(6,735)	(6,373)
Increase (decrease) in contract liabilities	(1,920)	993
Increase (decrease) in accrued consumption taxes	(110)	565
Other	(2,326)	(830)
Subtotal	2,936	7,846
Interest and dividends received	122	142
Interest paid	(568)	(574)
Income taxes refund (paid)	(2,167)	(1,879)
Net cash provided by (used in) operating activities	323	5,535
Cash flows from investing activities		
Payments into time deposits	(23)	(6)
Proceeds from withdrawal of time deposits	169	–
Purchase of property, plant and equipment	(7,108)	(4,261)
Proceeds from sale of property, plant and equipment	1,950	2,116
Purchase of intangible assets	(48)	(52)
Purchase of investments in associates	(4,238)	–
Proceeds from sale of investment securities	62	13
Proceeds (Payments) from (for) acquisition of subsidiaries	(1,195)	301
Payments for loans receivable	(173)	(33)
Collection of loans receivable	316	145
Payments of leasehold and guarantee deposits	(101)	(93)
Proceeds from refund of leasehold and guarantee deposits	62	86
Payments for acquisition of businesses	(1,568)	–
Other	7	6
Net cash provided by (used in) investing activities	(11,888)	(1,776)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10,492	(5,031)
Proceeds from long-term borrowings	10,253	13,839
Repayments of long-term borrowings	(4,532)	(6,085)
Redemption of bonds	(7)	(9)
Purchase of treasury shares	–	(755)
Dividends paid	(2,347)	(2,327)
Dividends paid to non-controlling interests	(48)	(45)
Repayments of lease liabilities	(4,607)	(4,527)
Other	3	(1)
Net cash provided by (used in) financing activities	<u>9,207</u>	<u>(4,941)</u>
Effect of exchange rate changes on cash and cash equivalents	(40)	161
Net increase (decrease) in cash and cash equivalents	(2,398)	(1,020)
Cash and cash equivalents at beginning of period	7,514	9,490
Increase in cash and cash equivalents from newly consolidated subsidiary	12	–
Cash and cash equivalents	<u><u>5,128</u></u>	<u><u>8,469</u></u>