

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on IFRS)

November 15, 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: November 15, 2021
 Scheduled date to commence dividend payments: December 3, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	115,816	33.4	4,342	17.1	12,051	231.2	8,413	200.4	8,219	272.7	12,351	248.8
Six months ended September 30, 2020	86,809	(18.4)	3,707	(12.1)	3,639	(2.6)	2,801	12.2	2,205	0.5	3,541	82.4

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	71.25		-	
Six months ended September 30, 2020	18.90		-	

(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 September 30, 2021	183,270	56,492	51,197	27.9
As of March 31, 2021	174,011	45,322	40,195	23.1

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, 2021	-	10.00	-	10.00	20.00
Year ending March 31, 2022	-	11.00	-	-	-
Year ending March 31, 2022 (Forecast)	-	-	-	11.00	22.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	232,000	16.3	8,600	11.5	16,100	105.7	10,800	129.2	93.41

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 September 30, 2021	119,381,034 shares	As of March 31, 2021	119,381,034 shares
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Number of treasury shares at end of period

As of September 30, 2021	4,026,580 shares	As of March 31, 2021	4,026,580 shares
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Average number of shares during period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	115,354,454 shares	Six months ended September 30, 2020	116,672,815 shares
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Condensed quarterly consolidated financial statements
Condensed quarterly consolidated statement of financial position

	As of March 31, 2021	As of September 30, 2021
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	9,195	10,989
Trade and other receivables	16,660	15,997
Other financial assets	137	84
Inventories	42,475	36,175
Other current assets	4,781	5,623
Total current assets	73,247	68,869
Non-current assets		
Property, plant and equipment	62,833	64,493
Goodwill	12,684	13,339
Intangible assets	956	940
Investment property	6,616	6,559
Investments accounted for using equity method	8,674	4,185
Other financial assets	7,699	23,767
Deferred tax assets	1,184	1,011
Other non-current assets	116	107
Total non-current assets	100,763	114,401
Total assets	174,011	183,270

	As of March 31, 2021	As of September 30, 2021
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	23,738	30,839
Trade and other payables	38,220	27,736
Other financial liabilities	6,125	6,198
Income taxes payable	1,191	1,406
Contract liabilities	13,585	11,433
Other current liabilities	2,717	3,062
Total current liabilities	85,577	80,674
Non-current liabilities		
Bonds and borrowings	20,688	19,632
Other financial liabilities	18,314	18,714
Provisions	551	571
Deferred tax liabilities	1,749	5,345
Other non-current liabilities	1,809	1,843
Total non-current liabilities	43,111	46,105
Total liabilities	128,689	126,778
Equity		
Share capital	4,297	4,297
Capital surplus	2,842	2,843
Treasury shares	(1,028)	(1,028)
Other components of equity	874	749
Retained earnings	33,210	44,334
Total equity attributable to owners of parent	40,195	51,197
Non-controlling interests	5,127	5,295
Total equity	45,322	56,492
Total liabilities and equity	174,011	183,270

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

Condensed quarterly consolidated statements of income

	Six months ended September 30, 2020	Six months ended September 30, 2021
	Millions of yen	Millions of yen
Revenue	86,809	115,816
Cost of sales	72,385	97,080
Gross profit	14,423	18,736
Selling, general and administrative expenses	12,616	14,551
Other income	1,958	308
Other expenses	59	150
Operating profit	3,707	4,342
Finance income	154	145
Finance costs	395	382
Share of profit of investments accounted for using equity method	172	128
Other non-operating income and expenses	–	7,817
Profit before tax	3,639	12,051
Income tax expense	838	3,637
Profit	2,801	8,413
Profit attributable to		
Owners of parent	2,205	8,219
Non-controlling interests	596	194
Profit	2,801	8,413
Earnings per share		
Basic earnings per share	18.90	71.25
Diluted earnings per share	–	–

Condensed quarterly consolidated statements of comprehensive income

	Six months ended September 30, 2020	Six months ended September 30, 2021
	Millions of yen	Millions of yen
Profit	2,801	8,413
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	458	4,062
Share of other comprehensive income of investments accounted for using equity method	6	(1)
Total of items that will not be reclassified to profit or loss	464	4,062
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	281	(125)
Share of other comprehensive income of investments accounted for using equity method	(5)	1
Total of items that may be reclassified to profit or loss	276	(124)
Other comprehensive income, net of tax	740	3,938
Comprehensive income	3,541	12,351
Comprehensive income attributable to		
Owners of parent	2,929	12,155
Non-controlling interests	613	197
Comprehensive income	3,541	12,351

Condensed quarterly consolidated statement of changes in equity

Six months ended September 30, 2020 (from April 1, 2020 to September 30, 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				263	
Comprehensive income	–	–	–	263	–
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 September 30, 2020	4,297	2,850	(1,028)	(20)	134

	Equity attributable to owners of parent						
	Financial assets measured at fair value through other comprehensive income			Total		Non-controlling interests	Total
	Retained earnings	Total	Total	Total			
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2020	–	(146)	30,156	36,882	3,823	40,705	
Profit		–	2,205	2,205	596	2,801	
Other comprehensive income	460	723		723	17	740	
Comprehensive income	460	723	2,205	2,929	613	3,541	
Purchase of treasury shares		–		(755)		(755)	
Forfeiture of share acquisition rights		(3)		–		–	
Transfer to retained earnings	(460)	(460)	460	–		–	
Dividends		–	(1,174)	(1,174)	(28)	(1,202)	
Total transactions with owners	(460)	(463)	(713)	(1,929)	(28)	(1,957)	
Balance at September 30, 2020	–	114	31,648	37,882	4,408	42,289	

Six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

	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, 2021	4,297	2,842	(1,028)	740	134
Profit					
Other comprehensive income				(123)	
Comprehensive income	-	-	-	(123)	-
Change in scope of consolidation					
Forfeiture of share acquisition rights		1			(1)
Transfer to retained earnings					
Dividends					
Total transactions with owners	-	1	-	-	(1)
Balance at September 30, 2021	4,297	2,843	(1,028)	617	133

	Equity attributable to owners of parent					
	Financial assets measured at fair value through other comprehensive income			Other components of equity		Total
	Total	Retained earnings	Total	Non-controlling interests		
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Balance at April 1, 2021	-	874	33,210	40,195	5,127	45,322
Profit		-	8,219	8,219	194	8,413
Other comprehensive income	4,059	3,935		3,935	3	3,938
Comprehensive income	4,059	3,935	8,219	12,155	197	12,351
Change in scope of consolidation		-		-	23	23
Forfeiture of share acquisition rights		(1)		-		-
Transfer to retained earnings	(4,059)	(4,059)	4,059	-		-
Dividends		-	(1,154)	(1,154)	(51)	(1,205)
Total transactions with owners	(4,059)	(4,060)	2,905	(1,154)	(28)	(1,182)
Balance at September 30, 2021	-	749	44,334	51,197	5,295	56,492

Condensed quarterly consolidated statements of cash flows

	Six months ended September 30, 2020	Six months ended September 30, 2021
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	3,639	12,051
Depreciation and amortization	4,318	4,680
Gain on bargain purchase	(1,185)	–
Interest and dividend income	(40)	(140)
Interest expenses	381	343
Foreign exchange loss (gain)	(101)	40
Share of loss (profit) of investments accounted for using equity method	(172)	(128)
Loss (gain) on sales of investments accounted for using equity method	–	(1,380)
Gain on remeasurement relating to exclusion of equity method	–	(6,436)
Loss (gain) on sale of fixed assets	(221)	(0)
Loss on retirement of fixed assets	1	7
Decrease (increase) in trade receivables	(716)	(885)
Decrease (increase) in inventories	6,067	7,287
Increase (decrease) in trade payables	(6,742)	(9,879)
Increase (decrease) in contract liabilities	423	(2,507)
Increase (decrease) in accrued consumption taxes	1,041	630
Other	(504)	(711)
Subtotal	6,188	2,970
Interest and dividends received	131	193
Interest paid	(406)	(342)
Income taxes refund (paid)	(1,076)	(1,457)
Net cash provided by (used in) operating activities	4,836	1,365
Cash flows from investing activities		
Payments into time deposits	–	(40)
Proceeds from withdrawal of time deposits	–	1
Purchase of property, plant and equipment	(2,942)	(3,393)
Proceeds from sale of property, plant and equipment	1,488	1,007
Purchase of intangible assets	(13)	(37)
Purchase of investment securities	–	(4)
Proceeds from sale of investment securities	13	9
Proceeds (Payments) from (for) acquisition of subsidiaries	301	(785)
Proceeds from sale of investments in associates	–	2,186
Payments for loans receivable	(20)	(6)
Collection of loans receivable	92	98
Payments of leasehold and guarantee deposits	(42)	(66)
Proceeds from refund of leasehold and guarantee deposits	47	62
Payments for acquisition of businesses	–	(35)
Other	9	(7)
Net cash provided by (used in) investing activities	(1,067)	(1,010)

	Six months ended September 30, 2020	Six months ended September 30, 2021
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,133)	6,078
Proceeds from long-term borrowings	7,899	3,000
Repayments of long-term borrowings	(3,321)	(3,075)
Redemption of bonds	(9)	(5)
Capital contribution from non-controlling interests	–	23
Purchase of treasury shares	(755)	–
Dividends paid	(1,174)	(1,154)
Dividends paid to non-controlling interests	(28)	(51)
Repayments of lease liabilities	(3,074)	(3,327)
Other	(1)	(1)
Net cash provided by (used in) financing activities	<u>(2,596)</u>	<u>1,488</u>
Effect of exchange rate changes on cash and cash equivalents	115	(49)
Net increase (decrease) in cash and cash equivalents	1,289	1,795
Cash and cash equivalents at beginning of period	<u>9,490</u>	<u>9,195</u>
Cash and cash equivalents	<u><u>10,778</u></u>	<u><u>10,989</u></u>