

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on IFRS)

February 14, 2022

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 14, 2022
 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, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	172,297	24.6	6,735	24.1	14,397	166.1	9,988	149.7	9,618	184.7	10,165	102.7
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

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	83.28	–
Nine months ended December 31, 2020	29.07	–

(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, 2021	181,524	53,041	47,860	26.4
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	Yen	Yen	Yen	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)

	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 nine months ended December 31, 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 December 31, 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 December 31, 2021	3,393,364 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)

Nine months ended December 31, 2021	115,494,913 shares	Nine months ended December 31, 2020	116,231,763 shares
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Condensed quarterly consolidated financial statements
Condensed quarterly consolidated statement of financial position

	As of March 31, 2021	As of December 31, 2021
	Millions of yen	Millions of yen
Assets		
Current assets		
Cash and cash equivalents	9,195	11,273
Trade and other receivables	16,660	16,935
Other financial assets	137	100
Inventories	42,475	37,772
Other current assets	4,781	4,294
Total current assets	73,247	70,374
Non-current assets		
Property, plant and equipment	62,833	66,005
Goodwill	12,684	13,353
Intangible assets	956	1,099
Investment property	6,616	7,233
Investments accounted for using equity method	8,674	4,232
Other financial assets	7,699	18,155
Deferred tax assets	1,184	970
Other non-current assets	116	101
Total non-current assets	100,763	111,150
Total assets	174,011	181,524

	As of March 31, 2021	As of December 31, 2021
	Millions of yen	Millions of yen
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	23,738	33,241
Trade and other payables	38,220	28,485
Other financial liabilities	6,125	6,117
Income taxes payable	1,191	1,093
Contract liabilities	13,585	11,392
Other current liabilities	2,717	2,805
Total current liabilities	85,577	83,132
Non-current liabilities		
Bonds and borrowings	20,688	20,499
Other financial liabilities	18,314	18,537
Provisions	551	580
Deferred tax liabilities	1,749	3,709
Other non-current liabilities	1,809	2,027
Total non-current liabilities	43,111	45,351
Total liabilities	128,689	128,483
Equity		
Share capital	4,297	4,297
Capital surplus	2,842	2,975
Treasury shares	(1,028)	(866)
Other components of equity	874	977
Retained earnings	33,210	40,477
Total equity attributable to owners of parent	40,195	47,860
Non-controlling interests	5,127	5,181
Total equity	45,322	53,041
Total liabilities and equity	174,011	181,524

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, 2020	Nine months ended December 31, 2021
	Millions of yen	Millions of yen
Revenue	138,239	172,297
Cost of sales	115,500	143,865
Gross profit	22,739	28,432
Selling, general and administrative expenses	19,515	21,889
Other income	2,282	392
Other expenses	80	199
Operating profit	5,425	6,735
Finance income	217	207
Finance costs	596	548
Share of profit of investments accounted for using equity method	363	185
Other non-operating income and expenses	–	7,817
Profit before tax	5,409	14,397
Income tax expense	1,409	4,408
Profit	4,000	9,988
Profit attributable to		
Owners of parent	3,379	9,618
Non-controlling interests	621	370
Profit	4,000	9,988
Earnings per share		
Basic earnings per share	29.07	83.28
Diluted earnings per share	–	–

Condensed quarterly consolidated statements of comprehensive income

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
	Millions of yen	Millions of yen
Profit	4,000	9,988
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	482	73
Share of other comprehensive income of investments accounted for using equity method	10	(1)
Total of items that will not be reclassified to profit or loss	492	72
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	533	110
Share of other comprehensive income of investments accounted for using equity method	(11)	(6)
Total of items that may be reclassified to profit or loss	522	104
Other comprehensive income	1,014	177
Comprehensive income	5,014	10,165
Comprehensive income attributable to		
Owners of parent	4,364	9,794
Non-controlling interests	650	371
Comprehensive income	5,014	10,165

Condensed quarterly consolidated statement of changes in equity

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	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					
	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, 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

Nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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				104	
Comprehensive income	–	–	–	104	–
Change in scope of consolidation					
Changes in ownership interest in subsidiaries		0			
Forfeiture of share acquisition rights		1			(1)
Transfer to retained earnings					
Disposal of treasury shares		132	162		
Dividends					
Total transactions with owners	–	133	162	–	(1)
Balance at December 31, 2021	4,297	2,975	(866)	845	133

	Equity attributable to owners of parent						
	Financial assets measured at fair value through other comprehensive income			Retained earnings		Non-controlling interests	Total
	Total	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, 2021	–	874	33,210	40,195	5,127	45,322	
Profit		–	9,618	9,618	370	9,988	
Other comprehensive income	72	176		176	1	177	
Comprehensive income	72	176	9,618	9,794	371	10,165	
Change in scope of consolidation		–		–	23	23	
Changes in ownership interest in subsidiaries		–		0	(262)	(262)	
Forfeiture of share acquisition rights		(1)		–		–	
Transfer to retained earnings	(72)	(72)	72	–		–	
Disposal of treasury shares		–		293		293	
Dividends		–	(2,422)	(2,422)	(78)	(2,500)	
Total transactions with owners	(72)	(73)	(2,351)	(2,129)	(317)	(2,446)	
Balance at December 31, 2021	–	977	40,477	47,860	5,181	53,041	

Condensed quarterly consolidated statements of cash flows

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
	Millions of yen	Millions of yen
Cash flows from operating activities		
Profit before tax	5,409	14,397
Depreciation and amortization	6,500	7,060
Impairment losses	–	8
Gain on bargain purchase	(1,185)	–
Interest and dividend income	(57)	(152)
Interest expenses	555	525
Foreign exchange loss (gain)	(151)	(13)
Share of loss (profit) of investments accounted for using equity method	(363)	(185)
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	(223)	10
Loss on retirement of fixed assets	2	16
Decrease (increase) in trade receivables	499	(376)
Decrease (increase) in inventories	2,504	6,775
Increase (decrease) in trade payables	(6,373)	(10,602)
Increase (decrease) in contract liabilities	993	(2,761)
Increase (decrease) in accrued consumption taxes	565	705
Other	(830)	477
Subtotal	7,846	8,066
Interest and dividends received	142	203
Interest paid	(574)	(525)
Income taxes refund (paid)	(1,879)	(2,521)
Net cash provided by (used in) operating activities	5,535	5,223
Cash flows from investing activities		
Payments into time deposits	(6)	(40)
Proceeds from withdrawal of time deposits	–	11
Purchase of property, plant and equipment	(4,261)	(6,669)
Proceeds from sale of property, plant and equipment	2,116	1,493
Purchase of intangible assets	(52)	(102)
Purchase of investment securities	–	(24)
Proceeds from sale of investment securities	13	9
Proceeds (Payments) from (for) acquisition of subsidiaries	301	(737)
Proceeds from sale of investments in associates	–	2,186
Payments for loans receivable	(33)	(8)
Collection of loans receivable	145	140
Payments of leasehold and guarantee deposits	(93)	(92)
Proceeds from refund of leasehold and guarantee deposits	86	98
Payments for acquisition of businesses	–	(35)
Other	6	(10)
Net cash provided by (used in) investing activities	(1,776)	(3,780)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
	Millions of yen	Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,031)	7,585
Proceeds from long-term borrowings	13,839	5,169
Repayments of long-term borrowings	(6,085)	(4,631)
Redemption of bonds	(9)	(5)
Capital contribution from non-controlling interests	–	23
Purchase of treasury shares	(755)	–
Dividends paid	(2,327)	(2,422)
Dividends paid to non-controlling interests	(45)	(78)
Repayments of lease liabilities	(4,527)	(5,018)
Other	(1)	(1)
Net cash provided by (used in) financing activities	(4,941)	622
Effect of exchange rate changes on cash and cash equivalents	161	14
Net increase (decrease) in cash and cash equivalents	(1,020)	2,079
Cash and cash equivalents at beginning of period	9,490	9,195
Cash and cash equivalents	8,469	11,273