

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2014 (Based on Japanese GAAP)

May 9, 2014

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 of ordinary general meeting of shareholders: June 24, 2014  
 Scheduled date to file Securities Report: June 24, 2014  
 Scheduled date to commence dividend payments: June 10, 2014  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(1) Consolidated financial results

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2014	132,682	12.1	10,082	29.1	9,976	30.3	5,126	7.4
Year ended March 31, 2013	118,317	23.3	7,810	17.2	7,659	16.7	4,775	9.5

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2014	46.29	45.61	21.3	12.3	7.6
Year ended March 31, 2013	44.93	44.13	26.4	10.1	6.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2014	82,337	28,955	33.9	237.24
As of March 31, 2013	79,510	21,157	25.4	187.07

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2014	13,929	(570)	(9,939)	7,597
Year ended March 31, 2013	2,347	(1,643)	(3,122)	4,184

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2013	—	13.00	—	17.00	30.00	1,072	22.3	5.9
Year ended March 31, 2014	—	16.00	—	21.00	37.00	1,403	26.6	5.8
Year ending March 31, 2015 (Forecast)	—	7.00	—	7.00	14.00		30.5	

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2014	60,500	0.1	4,100	1.3	4,000	1.4	2,200	1.8	18.70
Full year	135,000	1.7	10,300	2.2	10,100	1.2	5,400	5.3	45.90

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2014

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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 after error corrections: No

(3) Number of issued shares (common shares)

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

As of March 31, 2014	119,381,034 shares	As of March 31, 2013	110,381,034 shares
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Number of treasury shares at the end of the period

As of March 31, 2014	1,726,500 shares	As of March 31, 2013	2,360,601 shares
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Average number of shares during the period

Year ended March 31, 2014	110,756,908 shares	Year ended March 31, 2013	106,273,227 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	4,244	7,657
Notes and accounts receivable - trade	4,164	4,593
Lease receivables and investment assets	3,946	5,699
Merchandise and finished goods	10,380	10,330
Work in process	311	328
Raw materials and supplies	53	69
Deferred tax assets	1,538	880
Other	2,770	2,106
Allowance for doubtful accounts	(18)	(22)
Total current assets	27,392	31,642
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,581	17,861
Accumulated depreciation	(11,049)	(11,331)
Buildings and structures, net	6,532	6,530
Machinery, equipment and vehicles	3,143	3,459
Accumulated depreciation	(1,880)	(1,934)
Machinery, equipment and vehicles, net	1,262	1,524
Land	18,111	17,294
Leased assets	7,012	7,978
Accumulated depreciation	(3,039)	(3,688)
Leased assets, net	3,973	4,289
Other	1,113	1,301
Accumulated depreciation	(930)	(960)
Other, net	183	340
Total property, plant and equipment	30,062	29,979
Intangible assets		
Goodwill	12,607	11,696
Other	665	544
Total intangible assets	13,273	12,240
Investments and other assets		
Investment securities	5,346	5,417
Long-term loans receivable	439	696
Deferred tax assets	322	303
Guarantee deposits	1,070	1,088
Other	2,558	2,240
Allowance for doubtful accounts	(955)	(1,271)
Total investments and other assets	8,782	8,474
Total non-current assets	52,118	50,694
Total assets	79,510	82,337

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,994	15,367
Short-term loans payable	16,463	6,302
Lease obligations	5,759	7,630
Accounts payable - other	264	419
Income taxes payable	2,016	1,968
Provision for bonuses	810	859
Other	4,766	5,188
Total current liabilities	43,074	37,736
Non-current liabilities		
Bonds payable	1,250	1,146
Long-term loans payable	8,168	8,411
Lease obligations	2,339	2,468
Deferred tax liabilities	1,407	1,421
Provision for retirement benefits	740	-
Provision for directors' retirement benefits	409	547
Net defined benefit liability	-	761
Long-term accounts payable - other	262	183
Asset retirement obligations	286	301
Other	415	405
Total non-current liabilities	15,279	15,645
Total liabilities	58,353	53,382
Net assets		
Shareholders' equity		
Capital stock	2,493	4,297
Capital surplus	1,029	2,832
Retained earnings	16,488	20,421
Treasury shares	(134)	(98)
Total shareholders' equity	19,876	27,452
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	261	281
Revaluation reserve for land	37	29
Foreign currency translation adjustment	31	148
Total accumulated other comprehensive income	330	460
Subscription rights to shares	12	-
Minority interests	937	1,042
Total net assets	21,157	28,955
Total liabilities and net assets	79,510	82,337

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Net sales	118,317	132,682
Cost of sales	93,206	104,403
Gross profit	25,111	28,278
Selling, general and administrative expenses		
Promotion expenses	1,207	1,108
Haulage expenses	375	411
Advertising expenses	904	936
Directors' compensations, salaries and allowances	6,602	6,863
Bonuses	508	616
Retirement benefit expenses	286	321
Welfare expenses	1,078	1,143
Provision for bonuses	476	516
Provision for directors' retirement benefits	71	140
Entertainment expenses	55	69
Traveling and transportation expenses	262	248
Communication expenses	190	205
Utilities expenses	290	314
Insurance expenses	105	105
Supplies expenses	187	210
Taxes and dues	231	234
Repair expenses	150	153
Vehicle expenses	137	165
Depreciation	520	560
Rent expenses	1,979	2,064
Provision of allowance for doubtful accounts	-	5
Amortization of goodwill	918	911
Other	759	888
Total selling, general and administrative expenses	17,300	18,196
Operating income	7,810	10,082
Non-operating income		
Interest income	19	20
Dividend income	39	41
Share of profit of entities accounted for using equity method	146	136
Rent income	118	121
Subsidy income	66	-
Other	165	149
Total non-operating income	555	469
Non-operating expenses		
Interest expenses	508	389
Rent cost of real estate	108	103
Other	88	81
Total non-operating expenses	705	574
Ordinary income	7,659	9,976

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Extraordinary income		
Gain on sales of non-current assets	-	7
Gain on sales of investment securities	9	13
Reversal of allowance for doubtful accounts	-	4
Gain on bargain purchase	142	-
Compensation for transfer	175	-
Other	18	-
Total extraordinary income	346	24
Extraordinary losses		
Loss on sales of non-current assets	-	121
Loss on retirement of non-current assets	53	62
Loss on sales of investment securities	6	0
Loss on valuation of investment securities	0	41
Impairment loss	49	6
Provision of allowance for doubtful accounts	347	323
Other	54	38
Total extraordinary losses	511	594
Income before income taxes and minority interests	7,494	9,406
Income taxes - current	3,328	3,477
Income taxes - deferred	(707)	681
Total income taxes	2,621	4,158
Income before minority interests	4,873	5,248
Minority interests in income	97	121
Net income	4,775	5,126

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Income before minority interests	4,873	5,248
Other comprehensive income		
Valuation difference on available-for-sale securities	45	19
Foreign currency translation adjustment	31	115
Share of other comprehensive income of entities accounted for using equity method	(0)	(6)
Total other comprehensive income	76	127
Comprehensive income	4,949	5,375
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,850	5,255
Comprehensive income attributable to minority interests	99	119

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,493	1,035	12,588	(380)	15,737
Changes of items during period					
Issuance of new shares	-	-			-
Dividends of surplus			(875)		(875)
Net income			4,775		4,775
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(5)		245	239
Change of scope of consolidation			-		-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(5)	3,899	245	4,139
Balance at end of current period	2,493	1,029	16,488	(134)	19,876

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	219	38	(1)	255	41	887	16,921
Changes of items during period							
Issuance of new shares							-
Dividends of surplus							(875)
Net income							4,775
Purchase of treasury shares							(0)
Disposal of treasury shares							239
Change of scope of consolidation							-
Net changes of items other than shareholders' equity	42	(1)	33	74	(28)	49	96
Total changes of items during period	42	(1)	33	74	(28)	49	4,235
Balance at end of current period	261	37	31	330	12	937	21,157



Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,493	1,029	16,488	(134)	19,876
Changes of items during period					
Issuance of new shares	1,803	1,803			3,607
Dividends of surplus			(1,191)		(1,191)
Net income			5,126		5,126
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		36	35
Change of scope of consolidation			(1)		(1)
Net changes of items other than shareholders' equity					
Total changes of items during period	1,803	1,802	3,932	36	7,575
Balance at end of current period	4,297	2,832	20,421	(98)	27,452

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	261	37	31	330	12	937	21,157
Changes of items during period							
Issuance of new shares							3,607
Dividends of surplus							(1,191)
Net income							5,126
Purchase of treasury shares							(0)
Disposal of treasury shares							35
Change of scope of consolidation							(1)
Net changes of items other than shareholders' equity	20	(7)	116	129	(12)	105	222
Total changes of items during period	20	(7)	116	129	(12)	105	7,797
Balance at end of current period	281	29	148	460	-	1,042	28,955

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	7,494	9,406
Depreciation	2,906	3,150
Impairment loss	49	6
Amortization of goodwill	918	911
Gain on bargain purchase	(142)	-
Increase (decrease) in allowance for doubtful accounts	325	319
Increase (decrease) in provision for bonuses	(31)	49
Increase (decrease) in provision for retirement benefits	(111)	-
Increase (decrease) in provision for directors' retirement benefits	(18)	137
Increase (decrease) in net defined benefit liability	-	21
Interest and dividend income	(58)	(62)
Interest expenses	508	389
Foreign exchange losses (gains)	(32)	(0)
Share of (profit) loss of entities accounted for using equity method	(146)	(136)
Loss (gain) on sales of non-current assets	-	114
Loss on retirement of non-current assets	53	62
Loss (gain) on valuation of investment securities	0	41
Loss (gain) on sales of investment securities	(3)	(13)
Decrease (increase) in notes and accounts receivable - trade	643	(138)
Decrease (increase) in inventories	(1,937)	303
Increase (decrease) in notes and accounts payable - trade	(4,463)	2,305
Decrease (increase) in other current assets	13	(8)
Increase (decrease) in other current liabilities	(595)	126
Increase (decrease) in accrued consumption taxes	507	76
Other, net	(164)	51
Subtotal	5,715	17,114
Interest and dividend income received	76	119
Interest expenses paid	(511)	(382)
Income taxes paid	(3,842)	(3,549)
Income taxes refund	909	627
Net cash provided by (used in) operating activities	2,347	13,929
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,275)	(3,032)
Proceeds from sales of property, plant and equipment	1,025	2,506
Purchase of intangible assets	(42)	(41)
Purchase of investment securities	(101)	(41)
Proceeds from sales of investment securities	110	65
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(527)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	259	-
Payments of loans receivable	(19)	(49)
Collection of loans receivable	85	83
Payments for lease and guarantee deposits	(71)	(109)
Proceeds from collection of lease and guarantee deposits	72	70
Other, net	(159)	(20)
Net cash provided by (used in) investing activities	(1,643)	(570)

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,123)	(8,315)
Proceeds from long-term loans payable	6,600	5,530
Repayments of long-term loans payable	(5,200)	(7,201)
Proceeds from issuance of bonds	600	242
Redemption of bonds	(437)	(432)
Proceeds from issuance of common shares	-	3,583
Purchase of treasury shares	(0)	(0)
Proceeds from sales of treasury shares	204	30
Cash dividends paid	(875)	(1,191)
Cash dividends paid to minority shareholders	(11)	(14)
Repayments of lease obligations	(1,877)	(2,168)
Other, net	(0)	(1)
Net cash provided by (used in) financing activities	(3,122)	(9,939)
Effect of exchange rate change on cash and cash equivalents	24	14
Net increase (decrease) in cash and cash equivalents	(2,394)	3,433
Cash and cash equivalents at beginning of period	6,579	4,184
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(20)
Cash and cash equivalents at end of period	4,184	7,597