

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2010



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 Planned commencement date of dividend payment: To be announced

Amounts less than one million yen are omitted; percentages represent changes from the corresponding period of the previous year.

1. Consolidated Performance for the First Quarter of the Fiscal Year ending March 31, 2010

1) Operating Results

(Millions of yen, unless otherwise stated)

First quarter ended	Net sales		Operating income (loss)		Ordinary income (loss)		Net income (loss)	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
June 30, 2009	23,955	(39.9%)	(362)	—	(289)	—	(125)	—
June 30, 2008	39,843	—	1,325	—	1,401	—	806	—

First quarter ended	Net income per share (Yen)	Fully diluted net income per share (Yen)
June 30, 2009	(526.66)	—
June 30, 2008	3,315.86	3,297.05

2) Financial Position

(Millions of yen, unless otherwise stated)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
As of June 30, 2009	66,288	22,251	32.9%	91,699.00
As of March 31, 2009	64,858	22,560	34.1%	92,888.77

(Reference) Shareholders' equity: As of June 30, 2009: ¥21,821 million

As of March 31, 2009: ¥22,105 million

2. Dividend Payments

Record date	Dividend per share (Yen)				
	End of first quarter	End of interim period	End of third quarter	End of fiscal year	Full year
Fiscal Year Ended March 31, 2009	—	2,500.00	—	1,500.00	4,000.00
Fiscal Year Ending March 31, 2010	—	—	—	—	—
Fiscal Year Ending March 31, 2010 (Forecast)	—	1,500.00	—	2,500.00	4,000.00

(Note) Revisions to dividend forecast during the quarter under review: No

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2010 (April 1, 2009–March 31, 2010)

(Millions of yen, unless otherwise stated)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (Yen)
Interim term	55,000	(31.8%)	600	(79.4%)	600	(81.1%)	200	(90.3%)	840.43
Full year	120,000	(14.4%)	4,000	90.1%	4,000	64.2%	2,000	451.1%	8,404.31

(Note) Revisions to consolidated forecasts during the quarter under review: No

4. Other information

- 1) Changes in important subsidiaries during the term under review (changes in specified subsidiaries requiring a change in the scope of consolidation): No
- 2) Application of simplified accounting procedures and accounting procedures specific to the presentation of quarterly financial statements: Yes
- 3) Changes in accounting principles and procedures or method of presentation, and others for the presentation of consolidated statements (items noted in the section “Changes in the Basis of Presenting Consolidated Quarterly Financial Statements”):
 - a. Changes related to revision of accounting standards: No
 - b. Changes other than (a): No
- 4) Total number of issued shares (common stock)
 - a. Number of issued shares at the end of the term (including treasury stock)
 - As of June 30, 2009: 246,608 shares As of March 31, 2009: 246,608 shares
 - b. Number of treasury shares at the end of the term
 - As of June 30, 2009: 8,635 shares As of March 31, 2009: 8,635 shares
 - c. Average number of shares outstanding during the term
 - Quarter ended June 30, 2009: 237,973 shares Quarter ended June 30, 2008: 243,265 shares

Note: Explanation about the proper use of financial forecasts and other important notes

The forecasts and future projections in this report have been produced based on a rational assessment of the information available as of the date of announcement of this summary information and uncertain factors that could impact future financial performance. Actual results could differ significantly from forecast figures depending on operating performance and a variety of other factors.

Qualitative Information, Financial Statements

1. Qualitative Information on Consolidated Business Performance

During the first quarter in Japan, the financial market disarray and substantial economic worsening shows signs of gradual easing, and economies in China and other emerging countries began showing signs of improvement. However, capital expenditure continued to fall, and the employment situation grew sharply worse, causing personal consumption to remain lackluster.

In the logistics industry, the international freight forwarding business, mainly in Asia, improved, due primarily to inventory control. However, cargo volumes have not yet recovered fully, as the European and U.S. economies remain in a slump.

The domestic forwarding business also faced a severe business environment, owing to a substantial decline in cargo volume in line with the recession, as well as to increasingly intense competition within the industry.

Given these circumstances, the Vantec Group took advantage of the opportunity presented by the April 1, 2009, integration of its three core companies. The Group conducted bold organizational restructuring, including thorough streamlining measures to reduce costs throughout the Group, drastically overhauled its profit and sales structures, and addressed the need to establish a structure capable of generating profits in a severe business environment.

Despite these initiatives, during the quarter consolidated net sales declined 39.9%, or ¥15,887 million, from the same period of the previous fiscal year, to ¥23,955 million. This decrease was due to sales decline in the domestic logistics business, primarily stemming from automaker production cutbacks in response to lower demand. In the global logistics business, sales suffered from an ongoing slump in air forwarding business to the United States and Europe.

Despite efforts to reduce fixed and variable costs in line with the streamlining of our business, we posted a consolidated operating loss of ¥362 million, down ¥1,688 million from the operating income figure recorded in corresponding period of the preceding year, reflecting a sharp decline in net sales.

The Company posted a consolidated ordinary loss of ¥289 million, down ¥1,690 million from ordinary income posted during the same period of the previous fiscal year. The consolidated net loss totaled ¥125 million, ¥931 million less than the net income figure posted in the corresponding period of the previous year, despite extraordinary gains from a litigation settlement received.

Net sales and operating income by industry segment for the first quarter of the fiscal year were as follows:

Domestic logistics

Although auto production and export volumes by our major automobile manufacturing clients have showed signs of recovery since the end of the fourth quarter of the previous fiscal year, the domestic logistics business remained lackluster during the quarter. As a result, net sales totaled ¥15,780 million, down 33.8%, or ¥8,044 million, year on year. Due to the substantial decline in net sales, operating income deteriorated ¥1,397 million year on year, to an operating loss of ¥554 million.

Global logistics

The volume of air freight to and from Japan picked up after the end of the fourth quarter of the previous fiscal year, but the global logistics business has remained at a low level, and was affected by a decline in the amount of cargo in the United States and Europe due to recession. As a result, net sales totaled ¥7,393 million, down 48.1%, or ¥6,863 million, year on year. Despite the cutback in selling, general and administrative expenses, operating income totaled ¥202 million, falling 56.4%, or ¥261 million, year on year.

Other services

In the face of intensified competition, despite efforts to expand sales in heavy cargo transportation, disassembly of machinery, office relocation operations and others, the economic slowdown resulted in a decrease in orders received for other services. As a result, net sales totaled ¥781 million, down 55.6%, or ¥979 million, year on year. Owing to the decline in net sales, operating income dropped ¥28 million year on year, to an operating loss of ¥10 million.

Operating income (losses) by segment above include inter-company profits.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	June 30, 2009	March 31, 2009
Assets		
Current assets		
Cash and time deposits	8,953	11,302
Notes and accounts receivable—trade	16,195	16,324
Short-term investments in securities	2,507	8
Inventories	125	119
Deferred tax assets	457	456
Other current assets	3,776	3,016
Allowance for doubtful accounts	(82)	(75)
Total current assets	31,933	31,152
Fixed assets		
Tangible fixed assets	25,035	24,200
Intangible fixed assets		
Goodwill	2,564	2,591
Other intangible fixed assets	1,515	1,558
Total intangible fixed assets	4,079	4,150
Investment and other assets	5,196	5,307
Total fixed assets	34,311	33,658
Deferred assets	42	47
Total assets	66,288	64,858

	June 30, 2009	March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable–trade	9,038	8,641
Short-term bank loans	11,425	11,022
Current portion of long-term debt	1,795	33
Income taxes payable	131	229
Deferred tax liabilities	0	0
Accrued bonuses to employees	1,536	1,107
Other current liabilities	2,829	3,640
Total current liabilities	26,756	24,675
Long-term liabilities		
Bonds	2,000	2,000
Long-term debt, less current portion	7,200	7,452
Long-term deposits payable	797	795
Long-term accounts payable	848	924
Deferred tax liabilities	116	111
Deferred tax liabilities on land revaluation differences	1,922	1,922
Accrued retirement benefits for employees	3,352	3,358
Accrued retirement benefits for directors and corporate auditors	23	19
Accrued fines under the antitrust act	417	417
Negative goodwill	258	314
Other long-term liabilities	342	306
Total long-term liabilities	17,279	17,622
Total liabilities	44,036	42,297
Net assets		
Shareholders' equity		
Common stock	3,851	3,851
Capital surplus	13,769	13,769
Retained earnings	6,607	7,090
Treasury stock at cost	(1,236)	(1,236)
Total shareholders' equity	22,991	23,474
Valuation and translation adjustments		
Net unrealized holding gains on securities	21	12
Foreign currency translation adjustments	(1,191)	(1,382)
Total valuation and translation adjustments	(1,170)	(1,369)
Minority interests	429	455
Total net assets	22,251	22,560
Total liabilities and net assets	66,288	64,858

(2) Consolidated Statements of Income

(Millions of yen)

	Apr 1, 2008–Jun 30, 2008	Apr 1, 2009–Jun 30, 2009
Net sales	39,843	23,955
Cost of sales	34,463	20,869
Gross profit	5,380	3,086
Selling, general and administrative expenses	4,054	3,448
Operating income (loss)	1,325	(362)
Other income		
Interest income	24	11
Dividends income	25	16
Foreign currency exchange gains, net	13	26
Amortization of negative goodwill	56	55
Equity in earnings of affiliated companies	31	9
Others	13	23
Total other income	165	143
Other expenses		
Interest expenses	53	52
Amortization of equity issuance	3	3
Commissions paid	24	4
Others	8	9
Total other expenses	89	70
Ordinary income (loss)	1,401	(289)
Extraordinary gains		
Gain on sales of fixed assets	6	5
Gain on sales of investment securities	1	—
Litigation settlement received	—	220
Other extraordinary gains	0	0
Total extraordinary gains	9	225
Extraordinary losses		
Loss on sales of fixed assets	0	0
Loss on disposals of fixed assets	2	17
Special extra retirement payments	—	71
Other extraordinary losses	6	0
Total extraordinary losses	10	88
Income (loss) before income taxes and minority interests	1,400	(152)
Income taxes	587	(0)
Minority interests in income (loss)	6	(26)
Net income (loss)	806	(125)

(3) Segment information

a. Financial summary by industry segment (April 1, 2009–June 30, 2009) (Millions of yen)

	Domestic logistics	Global logistics	Other services	Subtotal	Elimination or corporate	Consolidated
Net sales						
(1) Net sales to outside customers	15,780	7,393	781	23,955	—	23,955
(2) Inter-segment sales/transfers	21	42	1,282	1,346	(1,346)	—
Total net sales	15,802	7,435	2,063	25,302	(1,346)	23,955
Operating income (loss)	(554)	202	(10)	(362)	—	(362)

b. Financial summary by geographic segment (April 1, 2009–June 30, 2009) (Millions of yen)

	Japan	Americas	Europe	Asia	Subtotal	Elimination or corporate	Consolidated
Net sales							
(1) Net sales to outside customers	20,623	593	696	2,041	23,955	—	23,955
(2) Inter-segment sales/transfers	26	8	16	7	58	(58)	—
Total of net sales	20,650	601	712	2,049	24,013	(58)	23,955
Operating income (loss)	(313)	(25)	(36)	19	(356)	(6)	(362)

c. Overseas sales (April 1, 2009–June 30, 2009) (Millions of yen)

	Americas	Europe	Asia and others	Total
Overseas net sales	605	1,044	1,498	3,147
Consolidated net sales	—	—	—	23,955
Overseas net sales/consolidated net sales	2.5%	4.4%	6.2%	13.1%