

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



November 10, 2009

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 Planned commencement date of dividend payment: December 9, 2009

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 Half of the Fiscal Year Ending March 31, 2010

1) Operating Results

(Millions of yen, unless otherwise stated)

First half ended	Net sales		Operating income		Ordinary income		Net income	
September 30, 2009	51,829	(35.7%)	908	(68.8%)	998	(68.5%)	758	(63.2%)
September 30, 2008	80,644	—	2,910	—	3,169	—	2,064	—

First half ended	Net income per share (Yen)	Diluted net income per share (Yen)
September 30, 2009	3,189.64	3,186.54
September 30, 2008	8,521.94	8,481.24

2) Financial Position

(Millions of yen, unless otherwise stated)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share (Yen)
First half ended September 30, 2009	66,169	23,327	34.6%	96,187.83
Fiscal year ended March 31, 2009	64,858	22,560	34.1%	92,888.77

(Reference) Shareholders' equity: First half ended September 30, 2009: ¥22,881 million

Fiscal year ended March 31, 2009: ¥22,105 million

2. Dividend per share

(Yen)

Fiscal year	First quarter	Second quarter	Third quarter	End of fiscal year	Full year
Ended March 31, 2009	—	2,500.00	—	1,500.00	4,000.00
Ending March 31, 2010	—	1,500.00	—	—	—
Ending March 31, 2010 (Forecast)	—	—	—	2,500.00	4,000.00

(Note) Revisions to dividend forecasts during the period under review: No

3. Consolidated Forecasts 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)
Full year	120,000	(14.4%)	4,000	90.1%	4,000	64.2%	2,000	451.1%	8,406.77

(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 specific to the preparation 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 revisions 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)
September 30, 2009: 246,708 shares March 31, 2009: 246,608 shares
 - b. Number of treasury shares at the end of the term
September 30, 2009: 8,829 shares March 31, 2009: 8,635 shares
 - c. Average number of shares outstanding during the term
September 30, 2009: 237,928 shares September 30, 2008: 242,301 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 rational assessment of the information available as of the date of announcement of this summary information, and the actual results could differ significantly from forecast figures depending on operating performance and a variety of other factors.

5. Qualitative Information on the Consolidated Business Performance

During the first half of the fiscal year ending March 31, 2010, we took advantage of the merger between our three core companies to introduce thorough rationalization measures throughout the Vantec Group, reducing costs and thoroughly revising our revenue structure and sales systems. In this manner, we continued striving to create a structure capable of generating profit. As a result of successful cost-cutting efforts, the Group moved into the black in the second quarter, absorbing the operating loss generated during the first quarter and pulling the Group into the black for the first half, exceeding our initial forecasts.

Our domestic logistics business began benefiting from a recovery in automotive manufacturing. In global logistics, the decline in freight forwarding to Europe and the Americas began to level off. Nevertheless, the rate of recovery remained weak. Consequently, first-half consolidated net sales fell 35.7% year on year, or ¥28,814 million, to ¥51,829 million.

Consolidated operating income decreased 68.8% year on year, or ¥2,001 million, to ¥908 million. Although we introduced measures to rationalize fixed and variable costs, operating income declined as a result of these significantly lower revenues.

Consolidated ordinary income amounted to ¥998 million, down 68.5%, or ¥2,170 million. Consolidated net income came to ¥758 million, down ¥1,305 million, or 63.2%, year on year, despite posting extraordinary gains related to the settlement of litigation.

Consolidated net sales and operating income by industry segment for the first half of the fiscal year were as follows:

Domestic logistics

In the domestic logistics business, the Group benefited from increased vehicle production and export volumes by its major auto maker clients. However, the industry situation remained lackluster overall, as a full-fledged

recovery has yet to materialize.

As a result, sales from domestic logistics fell 30.0% year on year, or ¥14,626 million, to ¥34,116 million. Owing to this substantial downturn in revenues, operating income dropped 95.0%, or ¥1,782 million, to ¥92 million.

Global logistics

The global logistics business remained sluggish. Air forwarding to and from Japan improved, but logistics demand in Europe and the Americas was lackluster, owing to stagnant economic conditions in these regions.

Accordingly, first-half sales from global logistics were down 43.8%, or ¥12,553 million year on year, to ¥16,099 million. Despite this substantial reduction, by slashing selling, general and administrative expenses the Group succeeded in keeping the decline in segment operating income to 17.0%, or ¥157 million, resulting in segment operating income of ¥770 million.

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.

Segment sales fell 50.3%, or ¥1,634 million, to ¥1,614 million. As a result of the decline in revenues, operating income was also down 58.4%, or ¥62 million, to ¥44 million.

Consolidated net sales and operating income by geographic segment for the first half of the fiscal year were as follows:

Japan

Business in Japan was affected by ongoing sluggishness in the number of vehicles manufactured and shipped by our major auto maker clients and air freight forwarded to and from Japan.

Accordingly, net sales in Japan were down 33.2% year on year, or ¥22,159 million, to ¥44,535 million, and operating income dropped 68.3%, or ¥1,615 million, to ¥748 million owing to substantial downturn in revenues.

Americas

In the Americas, demand stagnated on the back of the financial crisis, causing a downturn in corporate operating performance and creating a difficult employment environment and lackluster personal consumption. Although we strove to consolidate our bases of operations and improve human resource efficiency, conditions in this region remained harsh.

Net sales in this region came to ¥1,210 million in the first half, down 38.1%, or ¥745 million year on year. In line with this decline, we posted an operating loss of ¥30 million in this region, down ¥65 million from the first half of the preceding term.

Europe

In Europe, our business was affected by automotive production and inventory adjustments resulting from the global economic deterioration. Against this backdrop, we worked to reduce expenses through such efforts as

raising personnel efficiency, but conditions remained severe nevertheless.

Consequently, net sales in this region were down 61.9%, or ¥2,548 million year on year, to ¥1,569 million. This revenue downturn also resulted in a ¥377 million decrease at the operating level, resulting in an operating loss of ¥34 million in this region.

Asia

In Asia, we benefited from firm business in China in the area of automotive parts. Nevertheless, business recovery remained uncertain.

As a result, net sales in Asia were down 42.7% year on year, or ¥3,361 million, to ¥4,513 million. Although we worked to reduce costs, the decline in regional revenues caused operating income to fall 7.2%, or ¥16 million, to ¥208 million.

Consolidated operating income by segment include inter-company profits.

6. Consolidated Balance Sheets

(Millions of yen)

	September 30, 2009	March 31, 2009
Assets		
Current assets		
Cash and time deposits	8,973	11,302
Trade notes and accounts receivable	17,629	16,324
Short-term investments in securities	2,507	8
Inventories	111	119
Deferred tax assets	466	456
Other current assets	2,225	3,016
Allowance for doubtful accounts	(99)	(75)
Total current assets	31,816	31,152
Fixed assets		
Tangible fixed assets		
Building and structures, net	9,812	7,287
Machinery and vehicles, net	768	833
Land	13,797	13,659
Construction in progress	-	2,023
Other fixed assets, net	534	396
Total tangible fixed assets	24,912	24,200
Intangible fixed assets		
Goodwill	2,516	2,591
Other intangible fixed assets	1,659	1,558
Total intangible fixed assets	4,175	4,150
Investment and other assets	5,227	5,307
Total fixed assets	34,315	33,658
Deferred assets	37	47
Total assets	66,169	64,858

(Millions of yen)

	September 30, 2009	March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable	9,739	8,641
Short-term bank loans	9,907	11,022
Current portion of long-term debt	1,805	33
Income taxes payable	463	229
Deferred tax liabilities	9	0
Accrued bonuses to employees	1,111	1,107
Other current liabilities	2,663	3,640
Total current liabilities	25,701	24,675
Long-term liabilities		
Bonds	2,000	2,000
Long-term debt, less current portion	7,186	7,452
Long-term deposits	801	795
Long-term accounts payable	878	924
Deferred tax liabilities	114	111
Deferred tax liabilities on land revaluation differences	1,922	1,922
Accrued retirement benefits for employees	3,306	3,358
Accrued retirement benefits for directors and corporate auditors	27	19
Accrued fines under the antitrust act	417	417
Negative goodwill	203	314
Other long-term liabilities	282	306
Total long-term liabilities	17,140	17,622
Total liabilities	42,842	42,297
Net assets		
Shareholders' equity		
Common stock	3,853	3,851
Capital surplus	13,771	13,769
Retained earnings	7,491	7,090
Treasury stock at cost	(1,253)	(1,236)
Total shareholders' equity	23,861	23,474
Valuation and translation adjustments		
Net unrealized holding gains on securities	21	12
Foreign currency translation adjustments	(1,002)	(1,382)
Total valuation and translation adjustments	(980)	(1,369)
Minority interests	446	455
Total net assets	23,327	22,560
Total liabilities and net assets	66,169	64,858

7. Consolidated Statements of Income

(Millions of yen)

	Apr 1, 2008–Sep 30, 2008	Apr 1, 2009–Sep 30, 2009
Net sales	80,644	51,829
Cost of sales	69,719	44,310
Gross profit	10,924	7,518
Selling, general and administrative expenses	8,014	6,610
Operating income	2,910	908
Other income		
Interest income	72	20
Dividends income	34	17
Foreign currency exchange gains, net	75	42
Amortization of negative goodwill	113	110
Equity in earnings of affiliated companies	69	14
Other	49	35
Total other income	415	240
Other expenses		
Interest expense	107	106
Amortization of equity issuance	7	7
Commission paid	24	6
Others	17	30
Total other expenses	156	150
Ordinary income	3,169	998
Extraordinary gains		
Gain on sales of property and equipment	17	19
Gain on sales of investment securities	1	15
Litigation settlement received	—	220
Other extraordinary gains	1	8
Total extraordinary gains	20	263
Extraordinary losses		
Loss on sales of property and equipment	1	1
Loss on disposals of property and equipment	11	34
Loss on sales of investment securities	—	14
Impairment loss	—	37
Special extra retirement payments	—	71
Other extraordinary losses	24	10
Total extraordinary losses	37	168
Income before income taxes and minority interests	3,152	1,093
Income taxes	1,055	345

Minority interests	31	(10)
Net income	2,064	758

8. Segment information

Financial summary by industry segment (April 1, 2008 – September 30, 2008) (Millions of yen)

	Domestic logistics	Global logistics	Other services	Subtotal	Eliminations or corporate	Consolidated
Net sales						
Net sales to outside customers	48,742	28,652	3,248	80,644	—	80,644
Inter-segment sales / transfers	285	404	2,905	3,595	(3,595)	—
Total net sales	49,028	29,057	6,153	84,239	(3,595)	80,644
Operating income	1,875	928	106	2,910	(0)	2,910

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

	Domestic logistics	Global logistics	Other services	Subtotal	Eliminations or corporate	Consolidated
Net sales						
Net sales to outside customers	34,116	16,099	1,614	51,829	—	51,829
Inter-segment sales / transfers	88	68	2,724	2,881	(2,881)	—
Total net sales	34,204	16,168	4,338	54,711	(2,881)	51,829
Operating income	92	770	44	908	—	908

Financial summary by geographic segment (April 1, 2008 – September 30, 2008) (Millions of yen)

	Japan	Americas	Europe	Asia	Sub total	Eliminations and corporate	Consolidated
Net sales							
Net sales to outside customers	66,694	1,956	4,117	7,875	80,644	—	80,644
Inter-segment sales / transfers	95	67	26	29	218	(218)	—
Total net sales	66,789	2,023	4,144	7,905	80,862	(218)	80,644
Operating income	2,363	34	343	224	2,966	(56)	2,910

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

	Japan	Americas	Europe	Asia	Sub total	Eliminations and corporate	Consolidated
Net sales							
Net sales to outside customers	44,535	1,210	1,569	4,513	51,829	—	51,829
Inter-segment sales / transfers	68	15	30	17	132	(132)	—
Total net sales	44,603	1,226	1,600	4,531	51,961	(132)	51,829
Operating income	748	(30)	(34)	208	891	16	908

Overseas sales (April 1, 2008– September 30, 2008)

(Millions of yen)

	Americas	Europe	Asia and others	Total
Overseas net sales	2,221	4,254	4,918	11,395
Consolidated net sales	—	—	—	80,644
Overseas net sales/consolidated net sales	2.8%	5.3%	6.1%	14.2%

Overseas sales (April 1, 2009– September 30, 2009)

(Millions of yen)

	Americas	Europe	Asia and others	Total
Overseas net sales	1,402	2,111	3,362	6,875
Consolidated net sales	—	—	—	51,829
Overseas net sales/consolidated net sales	2.7%	4.1%	6.5%	13.3%