

Summary of Consolidated Financial Statements For the First Quarter of the Fiscal Year Ending March 31, 2012

August 12, 2011

Listed company's name: UT Holdings Co. Ltd.

Stock Exchange Listing: Osaka

Code number: 2146

URL: <http://www.ut-h.co.jp>

Representative director: Yoichi Wakayama, President, Representative Director & CEO

For inquiries: Shingo Tsukahara, Executive Officer and General Manager of Business Administrative Division

TEL: (03)5447-1710

Scheduled date of filing of quarterly business report: August 12, 2011

Schedule date of cash dividend payment: -

Supplemental material on quarterly results: Yes

Presentation on quarterly results: Yes (for institutional investors)

(Fractions less than ¥1 million are omitted.)

1. Consolidated Results in the 1Q of FY3/2012 (from April 1, 2011 to June 30, 2011)

(1) Consolidated results of operation (% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/2012 1Q	5,679	19.5	345	-11.3	336	-5.2	163	-24.7
FY3/2011 1Q	4,750	21.6	390	809.1	355	-	217	-96.3

(Reference) Comprehensive income: FY3/2012 1Q 164 million yen (-19.8%); FY3/2011 1Q 205 million yen (_%)

	Net profit per share	Net profit per share, diluted
	Yen	Yen
FY3/2012 1Q	800.19	-
FY3/2011 1Q	1,023.66	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
FY3/2012 1Q	8,011	1,030	12.5
FY3/2011	9,022	2,611	28.7

(Reference) Equity capital: FY3/2012 1Q 1,003 million yen; FY3/2011 2,585 million yen

2. Cash Dividends

(Record date)	Per share dividends				
	1Q-end	2Q-end	3Q-end	FY-end	Total
	Yen	Yen	Yen	Yen	Yen
FY3/2011	0.00	0.00	0.00	2,400.00	2,400.00
FY3/2012	0.00				
FY3/2012 (Plan)		0.00	0.00	2,500.00	2,500.00

Note: Revisions to the forecast of dividends from the previous announcement: None

3. Consolidated Forecasts for FY3/2012 (April 1, 2011 to March 31, 2012) (% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Net profit		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First 2 quarters	11,600	17.4	600	-32.2	585	-24.9	300	-44.8	1,509.06
Full year	25,000	23.5	2,000	38.6	1,960	49.7	1,000	30.5	5,104.07

Note: Revisions to the consolidated earnings forecast from the previous announcement: None

4. Other

(1) Changes in significant subsidiaries during the current quarter: None

New: None Eliminated: None

(2) Use of particular accounting procedures in preparation of quarterly consolidated financial statements:

None

(3) Changes in accounting rules, accounting estimates and retrospective restatement

(a) Changes in accounting rules to reflect revisions in accounting standards and related matters: None

(b) Changes in accounting rules other than (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(4) Number of shares issued and outstanding (common stock)

(a) Number of shares issued and outstanding

at term-end (including treasury shares): FY3/2012 1Q 214,456 shares FY3/2011 214,456 shares

(b) Number of treasury shares at term-end: FY3/2012 1Q 21,411 shares FY3/2011 1,911 shares

(c) Average number of shares issued and
outstanding during the term: FY3/2012 1Q 204,616 shares FY3/2011 1Q 212,545 shares

* Indication of quarterly review procedure implementation status

This quarterly earnings report is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Act. It is under the review procedure process at the time of disclosure of this report.

*Instruction and precautions on usage of the forecasts

The forecasts in this summary have been prepared based on information available as of the announcement date of this summary. Actual results may differ from the above forecasts, due to various factors such as economic conditions and market fluctuation.

Attachments

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1. Qualitative information on consolidated results for the current quarter

(1) Qualitative information on consolidated business results

In the first quarter of the current fiscal year (from April 1, 2011 to June 30, 2011), Japan's economy remained in a difficult situation, due to the impact from shortage of electric power and the sharp appreciation of the yen, on top of stagnant manufacturing activities and a downturn in consumption spending, which were partly led by the effects of the Great East Japan Earthquake that occurred on March 11, 2011.

In this environment, the UT Group made proactive sales efforts in the four growth areas (solar batteries, secondary batteries, LEDs, and displays) given the outsourcing needs by manufacturers, triggered by the move toward the likely revision of the Dispatched Worker Law, and our outsourcing track record in the semiconductor area. We strived to increase our share of providing outsourcing services to existing clients, and to gain new clients.

With regard to the outsourcing business, production by our major clientele of semiconductor manufacturers slowed down due to the impacts from the earthquake of March 11 and resulted in making some of our engineers inactive temporarily. However, there is no inactive worker by now and the UT Group recovered from the direct impact from the earthquake's effects. Moreover, we expanded our primary business areas from semiconductors to other growth areas and increased the number of active engineers. While we continued to strictly control selling, general and administrative expenses, the impact of the earthquake-led occurrence of inactive engineers resulted us to record a year-on-year decrease in profit on a sales gain in the first quarter of the current fiscal year.

As a result, the UT Group recorded sales of 5,679 million yen (up 19.5% from 4,750 million yen in the first quarter of the previous year), operating profit of 345 million yen (down 11.3% from 390 million yen), ordinary profit of 336 million yen (down 5.2% from 355 million yen), and net profit of 163 million yen (down 24.7% from 217 million yen) in the first quarter of the current fiscal year.

(2) Qualitative information on consolidated financial position

1) Assets, liabilities, and net assets

At the end of the first quarter of the current fiscal year, total assets amounted to 8,011 million yen, down 1,010 million yen from the end of the previous year, mainly due to a decrease in long-term loans to directors.

Liabilities were 6,980 million yen, up 569 million yen from the end of the previous year, mainly due to an increase in short-term borrowings.

Net assets stood at 1,030 million yen, down 1,580 million yen from the end of the previous year, mainly due to a decrease in retained earnings caused by dividend payment and purchase of own shares.

2) Cash flow

Cash and cash equivalents at the end of the first quarter were 3,216 million yen, down 103 million yen from the end of the previous fiscal year.

(Cash flow from operating activities)

Cash flow provided by operating activities amounted to 83 million yen (compared to that of 98 million yen in the first quarter of the previous year.) This was mainly attributable to net profit before income taxes and other adjustments of 296 million yen and a 151 million yen increase in deposits, despite a 223 million yen increase in accounts receivable and a 106 million yen in payments of corporate taxes.

(Cash flow from investing activities)

Cash flow provided by investing activities was 1,034 million yen (compared to cash flow used of 75 million yen in the first quarter of the previous year), mainly due to 1,050 million yen in proceeds from collection of loan.

(Cash flow from financing activities)

Cash flow used in financing activities totaled 1,211 million yen (compared to that of 564 million yen in the previous year), mainly due to payments of 1,234 million yen in purchase of own shares.

(3) Qualitative information on consolidated earnings forecasts

Forecasts for the first two quarters and the fiscal year ending March 31, 2012 have not changed from those announced on May 13, 2011, with the exception of a change in net profit per share caused by the purchase of own shares.

2. Other information

(1) Changes in significant subsidiaries during the current quarter

None

(2) Use of particular accounting procedures in preparation of quarterly consolidated financial statements

None

(3) Changes in accounting rules, accounting estimates and retrospective restatement

None

(Additional Information)

The Company has adopted "Accounting Standards for Accounting Changes and Error Corrections" (ASBJ Statement No. 24, issued on December 4, 2009) and "Guidance on Accounting Standards for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24, issued on December 4, 2009) for changes in accounting policies and corrections of figures on and after April 1, 2011.

3. Consolidated Financial Statements

(1) Consolidated balance sheet

(Thousands of yen)

	FY3/2011 March 31, 2011	1Q of FY3/2012 June 30, 2011
(Assets)		
Current assets		
Cash & deposits	3,320,442	3,216,984
Trade notes and accounts receivable	2,213,603	2,437,018
Work in process	2,120	1,326
Raw materials	449	279
Deferred tax assets	145,905	107,596
Other	185,691	196,087
Allowance for doubtful accounts	-4,804	-5,692
Total current assets	5,863,409	5,953,600
Fixed assets		
Tangible fixed assets	36,821	35,880
Intangible fixed assets		
Software	68,197	62,723
Other	1,752	9,741
Total intangible fixed assets	69,949	72,464
Investments and other assets		
Investment securities	61,525	60,512
Long-term loans to directors	1,050,071	—
Deferred tax assets	1,807,496	1,760,103
Other	131,341	128,026
Total investments and other assets	3,050,434	1,948,641
Total fixed assets	3,157,206	2,056,987
Deferred assets	1,600	1,200
Total assets	9,022,216	8,011,787

(Thousands of yen)

	FY3/2011 March 31, 2011	1Q of FY3/2012 June 30, 2011
(Liabilities)		
Current liabilities		
Short-term borrowings	3,948,588	4,407,328
Accrued expenses	1,245,409	1,364,583
Accrued income tax	124,036	59,163
Accrued consumption tax	316,287	248,700
Allowance	259,366	142,697
Deferred taxed liabilities	89	—
Other	415,744	663,196
Total current liabilities	6,309,523	6,885,669
Long-term liabilities		
Long-term debt	92,352	85,470
Allowance	8,992	9,704
Deferred taxed liabilities	167	—
Total long-term liabilities	101,511	95,174
Total liabilities	6,411,034	6,980,843
(Net Assets)		
Shareholders' equity		
Common stock	500,000	500,000
Capital surplus	580,530	580,530
Retained earnings	1,954,087	1,607,390
Treasury stock	-447,734	-1,682,084
Total shareholders' equity	2,586,883	1,005,836
Accumulated other comprehensive income		
Net unrealized valuation gain on other investment securities	-1,880	-1,887
Total accumulated other comprehensive income	-1,880	-1,887
Minority interests	26,178	26,995
Total net assets	2,611,181	1,030,943
Total liabilities and net assets	9,022,216	8,011,787

(2) Consolidated statements of income and consolidated statements of comprehensive income

(Consolidated statements of income)

(First quarter)

(Thousands of yen)

	FY3/2011 From April 1, 2010 to March 31, 2011	1Q of FY3/2012 From April 1, 2011 to June 30, 2011
Sales	4,750,916	5,679,325
Cost of sales	3,807,010	4,647,987
Gross profit	943,905	1,031,338
Selling, general and administrative expenses	553,901	685,543
Operating profit	390,004	345,794
Non-operating income		
Interest received	9,638	5,178
Dividends received	33	2
Government subsidies for employment adjustment	910	6,745
Other	1,059	6,162
Total non-operating income	11,642	18,088
Non-operating expenses		
Interest paid	27,375	22,701
Equity in loss of affiliates	17,933	—
Other	1,046	4,268
Total non-operating expenses	46,354	26,969
Ordinary profit	355,292	336,913
Extraordinary gains		
Profit from revised profit of previous term	7,920	—
Reversal of allowance for directors' bonus	12,232	—
Total extraordinary gains	20,152	—
Extraordinary losses		
Loss due to disaster	—	30,903
Other	—	9,714
Total extraordinary losses	—	40,618
Net income or loss (—) before income taxes and other adjustment	375,445	296,295
Income and other taxes – current	70,913	46,296
Adjustment for income and other taxes	99,420	85,449
Total income and other taxes	170,333	131,746
Net income before minority interests	205,111	164,549
Minority interests in loss (—) in consolidated subsidiaries	-12,463	817
Net profit or loss (—)	217,574	163,731

(Consolidated statements of comprehensive income)

(Thousands of yen)

	FY3/2011 From April 1, 2010 to March 31, 2011	1Q of FY3/2012 From April 1, 2011 to June 30, 2011
Net income before minority interests	205,111	164,549
Other comprehensive income		
Net unrealized valuation gain on other investment securities	—	-7
Total other comprehensive income	—	-7
Comprehensive income	205,111	164,541
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	217,574	163,724
Comprehensive income attributable to minority interests	-12,463	816

(3) Consolidated cash flow statements

(Thousands of yen)

	FY3/2011 From April 1, 2010 to March 31, 2011	1Q of FY3/2012 From April 1, 2011 to June 30, 2011
Cash flow from operating activities		
Net profit before income taxes and other adjustments	375,445	296,295
Depreciation	17,937	17,463
Amortization of founding expenses	400	399
Increase or decrease (－) in allowance for doubtful accounts	2,603	888
Increase or decrease (－) in provision for bonuses	-20,195	-49,124
Increase or decrease (－) in provision for directors' bonuses	-131,300	-67,544
Interest income and dividend income	-9,672	-5,180
Interest expense	27,375	22,701
Foreign exchange loss or gain (－)	284	189
Equity in investment loss or gain (－) of affiliates	17,933	—
Increase(－) or decrease in accounts receivable	-192,490	-223,415
Increase (－) or decrease in prepaid expenses	-10,623	-8,106
Increase (－) or decrease in inventories	2,357	964
Increase or decrease (－) in accounts payable	-1,800	—
Increase or decrease (－) in accrued consumption taxes	55,312	-69,825
Increase or decrease (－) in accrued expenses	66,012	119,173
Increase or decrease (－) in deposits	-14,627	151,040
Other	67,009	16,407
Subtotal	251,960	202,327
Interest and dividends received	9,765	7,838
Interest paid	-17,877	-20,094
Income taxes paid	-153,096	-106,705
Income tax refund	8,119	—
Cash flow from operating activities	98,871	83,365
Cash flow from investing activities		
Payments for purchase of tangible fixed assets	-3,024	-2,770
Payments for purchase of intangible fixed assets	-2,877	-7,577
Payments for extending loan	-88,516	—
Proceeds from collection of loan	20,882	1,050,071
Increase (－) or decrease in guarantee money paid	-809	-5,448
Other	-750	319
Cash flow from investing activities	-75,095	1,034,594
Cash flow from financing activities		

Net increase or decrease (－) in short-term borrowings	-146,567	458,740
Payments for repayment of long-term debt	-6,882	-6,882
Payments for purchase of own shares	－	-1,234,350
Dividends paid	-410,822	-437,663
Other	－	-1,074
Cash flow from financing activities	-564,272	-1,221,229
Effect of exchange rate changes on cash and cash equivalents	-284	-189
Increase or decrease (－) in cash and cash equivalents	-540,780	-103,458
Cash and cash equivalents at beginning of quarter	3,538,112	3,320,442
Cash and cash equivalents at quarter-end	2,997,331	3,216,984

(4) Note regarding going concern assumption

None

(5) Segment information, etc.

Segment information is omitted as the UT Group is engaged only in the outsourcing service business.

(6) Notes in case of significant changes in shareholders' equity

Based on the resolution to introduce an "Employee Stock Ownership Plan" at the Board of Directors meeting of March 31, 2011, the Company purchased its shares and put them in the ESOP trust on May 25, 2011, in order to give benefits to employees in the future.

Number of shares: 19,500 shares

Total purchase amount: 1,234,350 thousand yen

Date of purchase: May 25, 2011

Method of purchase: Own share repurchase transaction on the J-NET Market of the Osaka Securities Exchange

(7) Subsequent material event

Merger of consolidated subsidiaries

1. The Company's consolidated subsidiaries, NIHON AIM Co., Ltd. and FINE STAGE Co., Ltd. merged with each other, effective on July 1, 2011, with NIHON AIM Co., Ltd. being the surviving company.

2. The Company's consolidated subsidiaries, ComLeading Co., Ltd. and ComRades Co., Ltd. merged with each other, effective on July 1, 2011, with ComLeading Co., Ltd. being the surviving company.

3. Details of the above mergers are as follows:

1) Date of business combination: July 1, 2011

2) Names of companies, legal form, etc.

(a) NIHON AIM Co., Ltd. and FINE STAGE Co., Ltd. [

- Name of the combiner and its business

NIHON AIM Co., Ltd. (outsourcing services)

- Name of the combinee and its business

FINE STAGE Co., Ltd. (outsourcing services)

- Legal form of business combination

A merger by absorption with NIHON AIM as the surviving company and FINE STAGE being dissolved.

- Company name after business combination

NIHON AIM Co., Ltd.

(b) ComLeading Co., Ltd. and ComRades Co., Ltd.

- Name of the combiner and its business

ComLeading Co., Ltd. (outsourcing services)

- Name of the combinee and its business

ComRades Co., Ltd. (outsourcing services)

- Legal form of business combination

A merger by absorption with ComLeading as the surviving company and ComRades being dissolved.

- Company name after business combination

ComLeading Co., Ltd.

4. Summary of transactions, including the purpose thereof

Both mergers are intended to enhance operational efficiency through management and control of sales areas of the UT Group in an integrated manner.

5. Summary of the accounting method

Both mergers applied the accounting method based on "Accounting Standards for Business Combinations" (ASBJ Statement No. 21, issued on December 26, 2008) and "Guidance on Accounting Standards for Business Combinations and Separations (ASBJ Guidance No. 10, issued on December 26, 2008.)