

## **VT Holdings' Business Strategies and Earnings Reviewed by KCR**

June 6, 2017

NOTE TO EDITORS: This release contains investment opinion issued by KCR Inc.

Tokyo – [VT Holdings Co., Ltd. \(TOKYO:7593\)](#), an auto dealership holding company located in Aichi Prefecture, announced that recently it has been reviewed by KCR Inc., an independent research and investor relations support company providing reports on various publicly traded Japanese companies. In the report, KCR provides analysis of the company's business model and earnings.

### **Report Highlights**

VT Holdings' core activities are in the automotive business, centered on auto dealers that handle mainly Nissan and Honda vehicles. In recent years, the company has aggressively engaged in overseas M&A and is accelerating global development.

In the fiscal year ended March 31, 2017, net sales grew for the seventh consecutive year, reaching a historic high, and the overseas sales ratio increased to 30%. VT Holdings recorded net sales of JPY169,560 million (+15.8% YoY), operating income of JPY7,592 million (-0.4%), ordinary income of JPY7,937 million (+4.4%) and net income of JPY4,421 million (+8.1%).

In the fiscal year ending March 31, 2018, VT Holdings forecasts net sales of JPY196.0 billion (+15.6% YoY), operating income of JPY8.5 billion (+12.0%), ordinary income of JPY8.5 billion (+7.1%) and net income of JPY4.8 billion (+8.5%). The company thus expects to continue posting record-high levels of net sales and aims to bolster both sales and profit. VT Holdings is converting Peugeot Citroen South Africa (Pty) Ltd. to a subsidiary, and will commence the importer business overseas.

In fiscal 2016, new car sales in Japan rose for the first time in three years, growing 2.8% to 5,077,904 units, and the current market environment is favorable. As well as new car sales, it is important to focus on the number of vehicles owned, as this number is more indicative of VT Holdings' fundamental earnings.

KCR believes VT Holdings will again post record-high net sales in the fiscal year ending March 31, 2018, and believes the company will make favorable progress on the profit front. KCR assigns an overall rating of +2 (BUY) to VT Holdings and maintains its buy recommendation with a target share price of JPY814.

**Read the full research report (KCR Inc.), please see:**

[http://www.vt-holdings.co.jp/eng/ir/library/pdf/20170605\\_kcr.pdf](http://www.vt-holdings.co.jp/eng/ir/library/pdf/20170605_kcr.pdf)

**For details about VT Holdings Co., Ltd. (TOKYO:7593), please see:**

<http://www.vt-holdings.co.jp/eng/index.html>

### **Attentions**

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