



WILLPLUS

4Q FY2018

From Jul.2017 to Jun.2018

**Financial Results
Presentation**

**Financial Results Presentation Materials
for the Fiscal Year Ended June 30, 2018**

WILLPLUS Holdings Corporation

(First Section of the Tokyo Stock Exchange: 3538)

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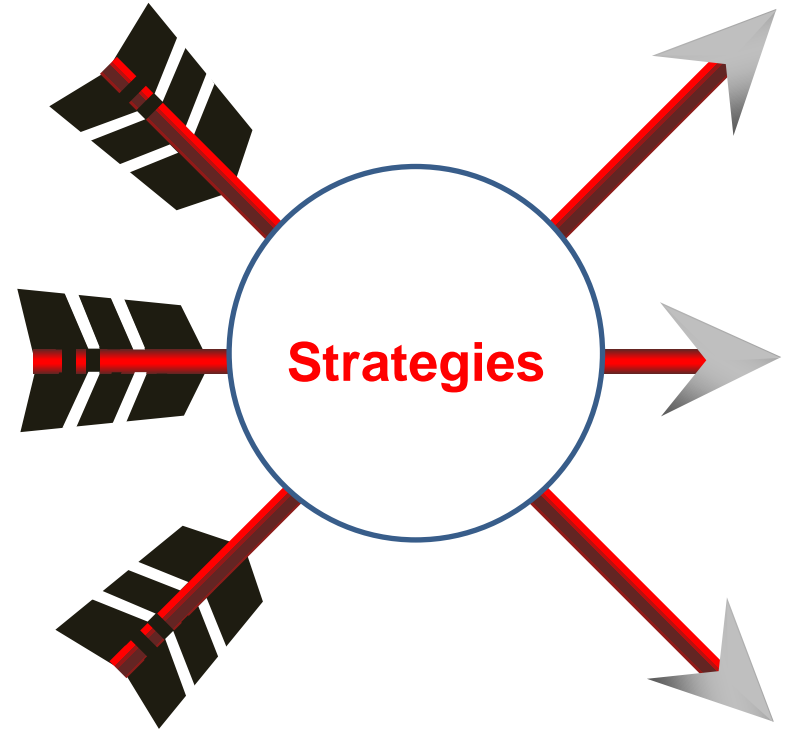
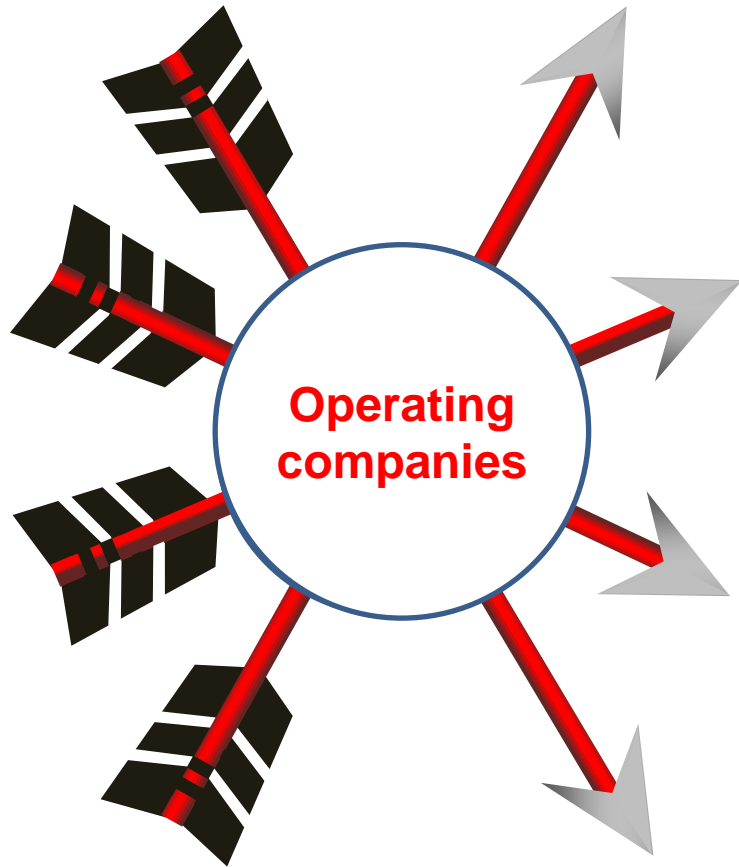


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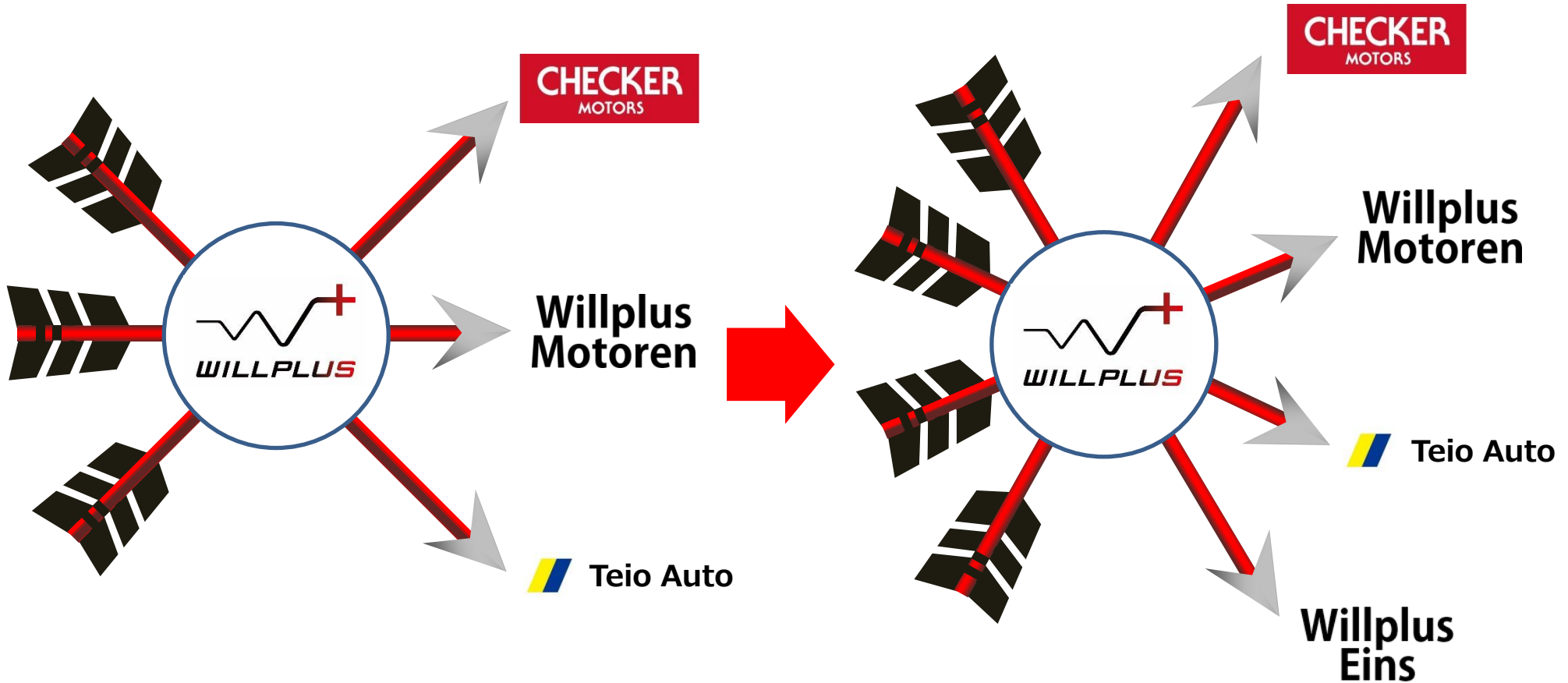
A close-up, black and white photograph of a car's front end. The top half shows the sleek, curved lines of a headlight assembly with a prominent lens. The bottom half shows the vertical slats of a chrome grille. A bright blue horizontal band runs across the middle, containing the text.

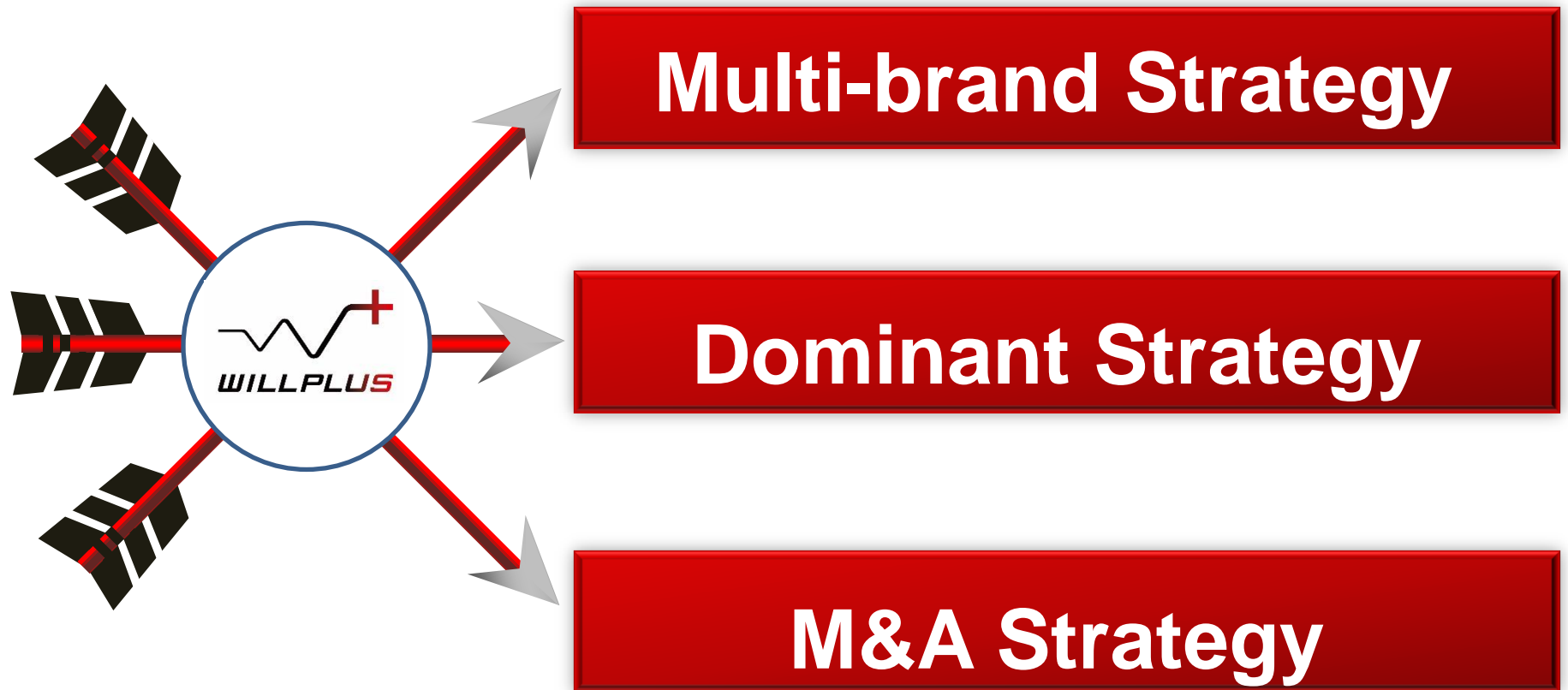
Growth Strategies

Group Growth Strategies



Operating Companies





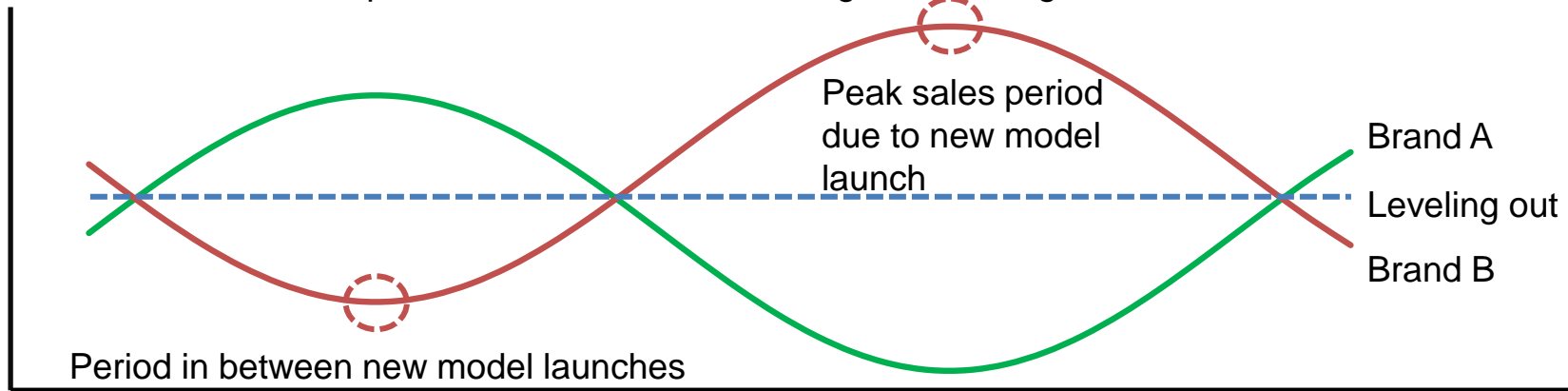
Multi-Brand Strategy



Level out the impact of differences in the timing of launching new models among brands by carrying a total of ten brands

Illustration of how the impact of differences in the timing of launching new models is leveled out

(Vehicles)



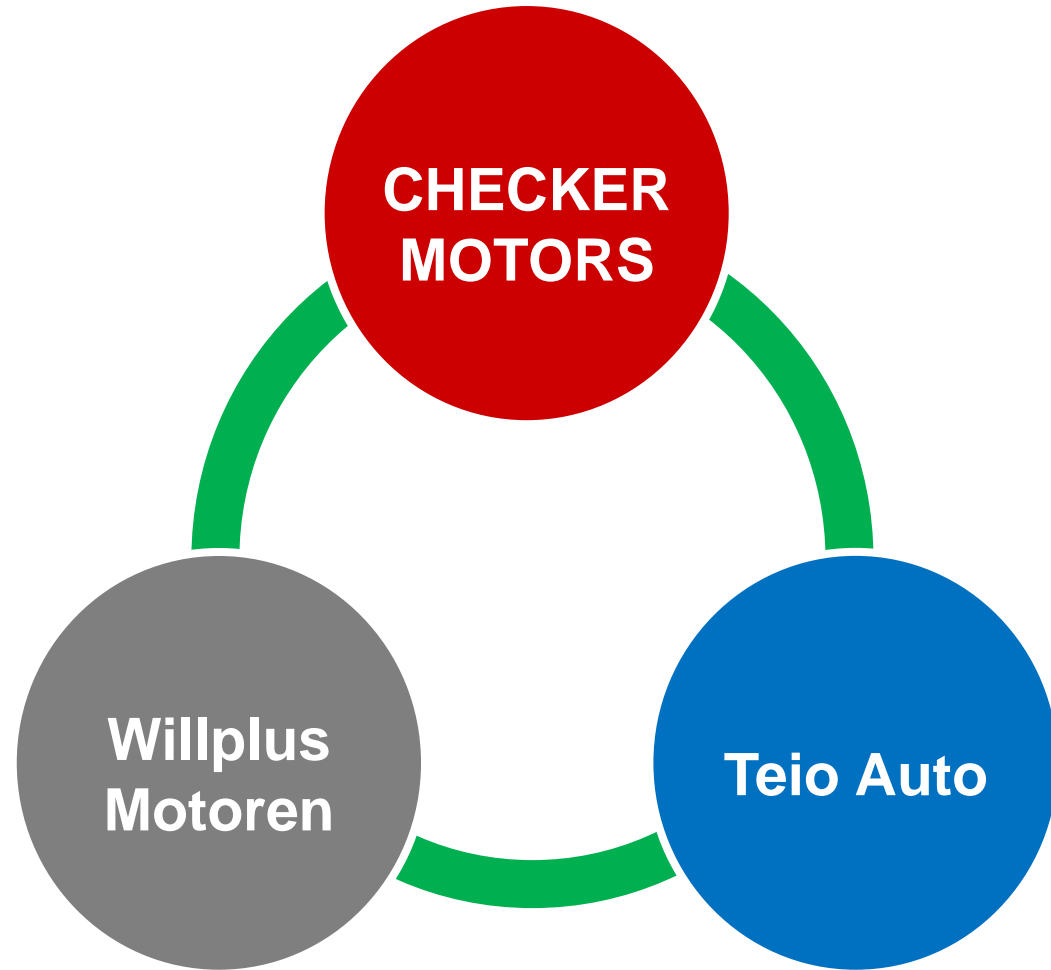
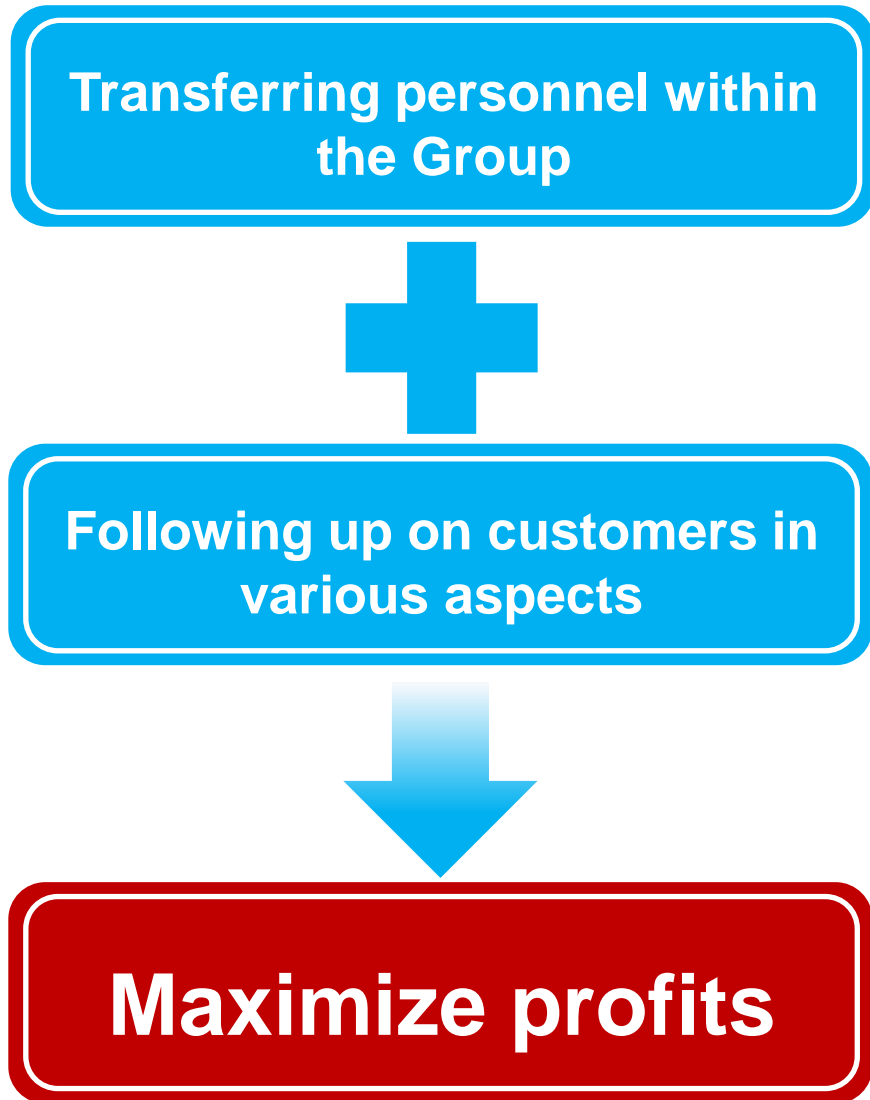
2016 new models



2017 new models



Dominant Strategy





**Through
proactive
M&As,
we will:**

1

Expanding new areas

2

**Acquisition new brands
(Multi-Brand Strategy)**

3

**Expand the market share
of existing brands**



Brands not yet carried



Brands targeted through M&As:

Over 9



Identification and execution of M&A deals

- Identify deals through such means as referrals from financial institutions and other intermediaries, and proposals put forward by importers and business owners
- Conduct due diligence only on M&A deals that meet the Company's criteria for initiating investment and execute the M&A deals following negotiations

- Perform various types of due diligence
- Formulate business plans
- Confirm the investment recovery period etc .

- Internally consider matters centered on the following:
- Future growth potential
 - Business synergies etc.

- Imported car dealers
- Domestic car dealers
- Specialist used car distributors
- Rental car companies etc.

Financial institutions
Intermediaries

Importers

The Company approaches
the counterpart directly

The counterpart
approaches the Company
directly

A close-up photograph of the front grille of a red Alfa Romeo car. The grille features a silver mesh pattern and the Alfa Romeo logo, which is a circular emblem with a green and red serpent on a white background, surrounded by the words "ALFA ROMEO". The car's body is a vibrant red color, and the lighting creates strong highlights and shadows, emphasizing the car's sleek design.

Initiatives in the Fiscal Year Ended June 30, 2018

Initiatives Related to Opening Dealerships



Renovated and reopened Alfa Romeo Setagaya and FIAT/ABARTH Setagaya

Renovated into a dealership conforming to the latest corporate identity (CI) features





Renovated and reopened VOLVO Car Fukuoka-Minami

Renovated into a dealership conforming to the latest corporate identity (CI) features



Initiatives Related to Opening Dealerships



Renovated and reopened JEEP Kurume

Renovated into a dealership conforming to the latest corporate identity (CI) features



Initiatives Related to Opening Dealerships



Opened Alfa Romeo Ota

A dedicated Alfa Romeo dealership conforming to the latest corporate identity (CI) features



Proactively Invest in Dealerships



Invest in existing dealerships

Address CI changes

- Provide various retail experiences for each brand in conformity with the latest CI features
- Provide high-quality services through cutting-edge facilities, etc.

Relocate and reopen

- Relocate to prime sites with outstanding visibility and convenience
- Enhance management efficiency

Open new dealerships

- Expand business areas
- Reinforce existing areas
- Expand the business of existing brands

Increase the number of customers visiting dealerships and the number of repeat customers by improving customer satisfaction

Enhance earnings



Jaguar/Land Rover Shonan

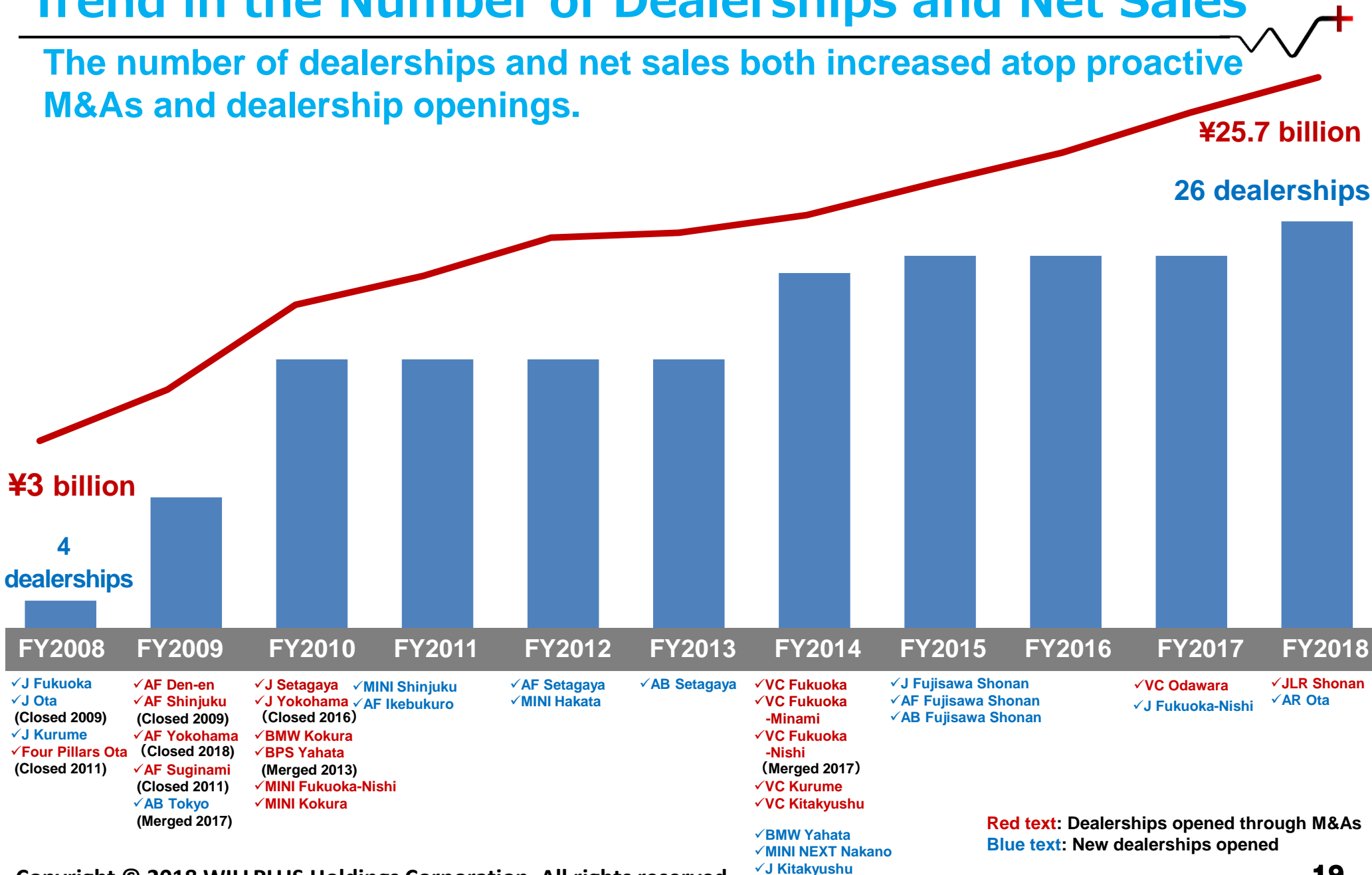
Took over Jaguar/Land Rover Shonan from Ivy Auto Corporation on April 1, 2018 Purpose of business takeover

- Promote the multi-brand strategy through new brands
- Promote the dominant strategy (strategy for establishing a dominant market position) in the Kanagawa area



Trend in the Number of Dealerships and Net Sales

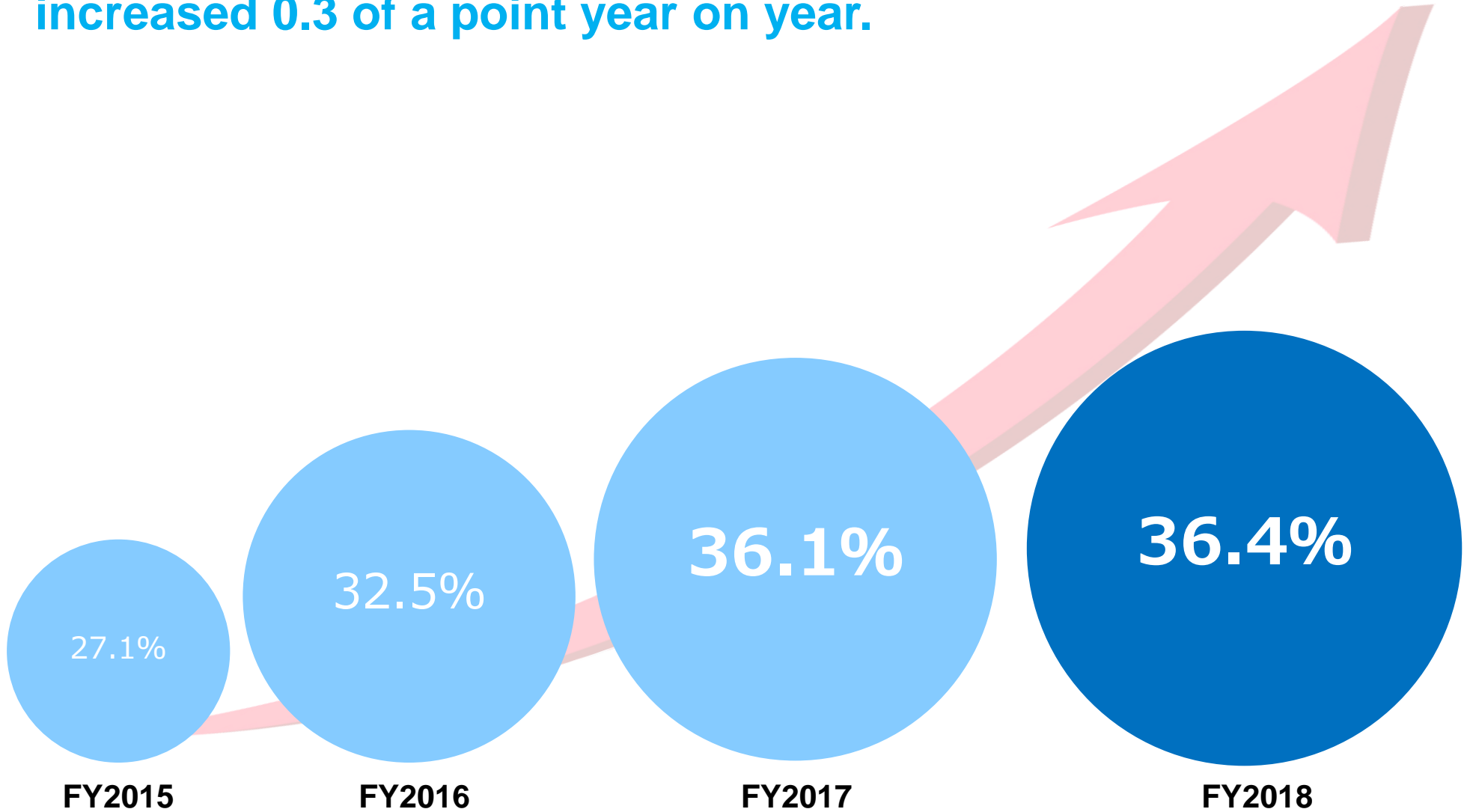
The number of dealerships and net sales both increased atop proactive M&As and dealership openings.



Recurring-Revenue-Based Business (Voluntary Automobile Insurance Attachment Rate)



The voluntary automobile insurance attachment rate increased 0.3 of a point year on year.





**Consolidated Financial Results
for the Fiscal Year Ended
June 30, 2018**

Consolidated financial results

Net sales: ¥25,770 million (Up 9.3% YoY)

Operating profit: ¥1,261 million (Up 4.3% YoY)

Main reasons for the increase in net sales

- New car sales were solid for Alfa Romeo and FIAT
- Used car sales were solid for JEEP, BMW and MINI
- Sales from other services, which are recurring revenue-based businesses, trended firmly
- Net increase due to the takeover of the VOLVO Cars Odawara business

Main reasons for the increase in operating profit

- Incentive income rose in line with the increase in new car sales volume
- Insurance sales commissions rose in line with an increase in customers under management
- A higher sales mix of models with high gross profit per vehicle in the middle price range and above

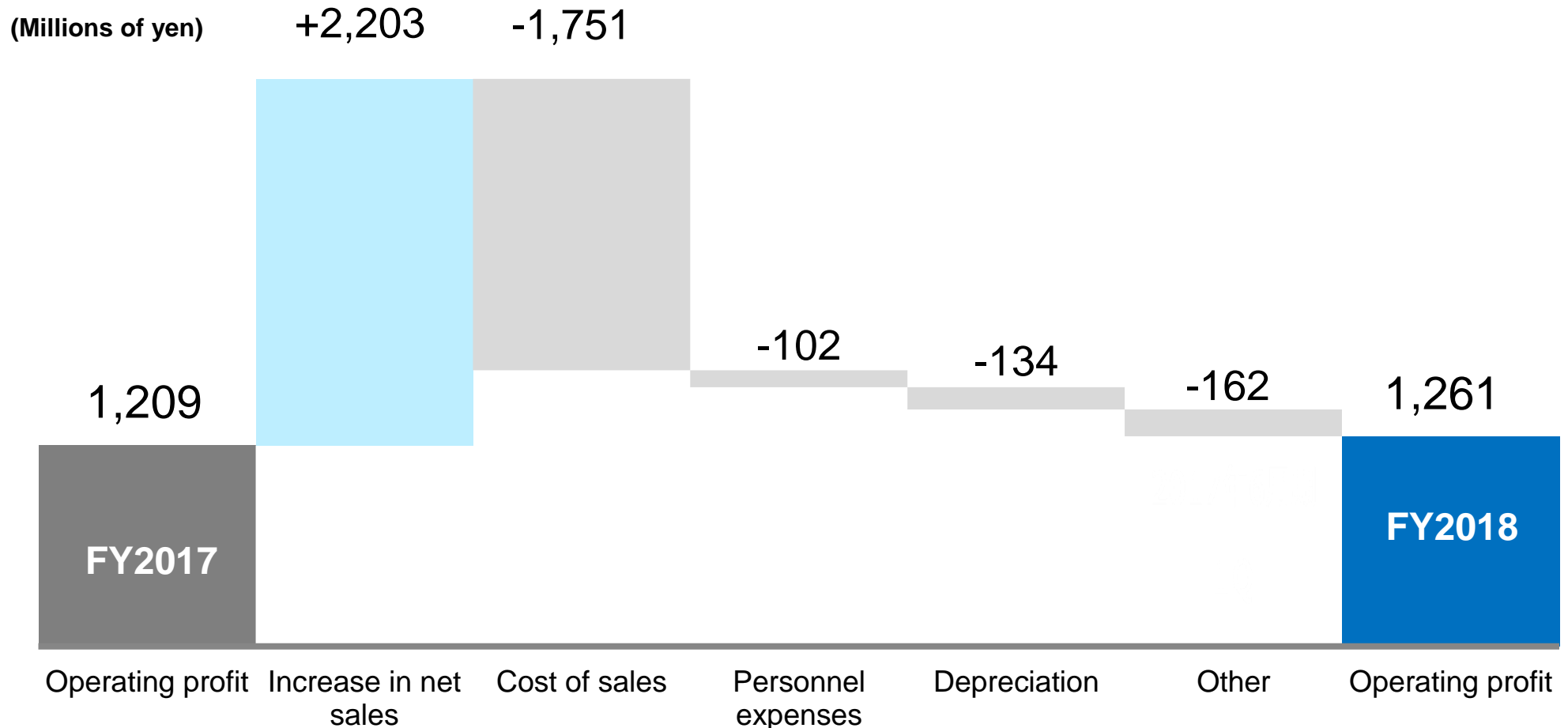
Consolidated Statements of Income



(Millions of yen)	FY2017	FY2018	Change	YoY
Net sales	23,567	25,770	+2,203	+9.3%
Operating profit	1,209	1,261	+51	+4.3%
Operating profit margin	5.1%	4.9%	-0.2Pt	-
Ordinary profit	1,197	1,255	+58	+4.8%
Ordinary profit margin	5.1%	4.9%	-0.2Pt	-
Profit	743	815	+71	+9.6%
Profit margin	3.2%	3.2%	-	-

Trend in Operating Profit (Analysis of Changes)

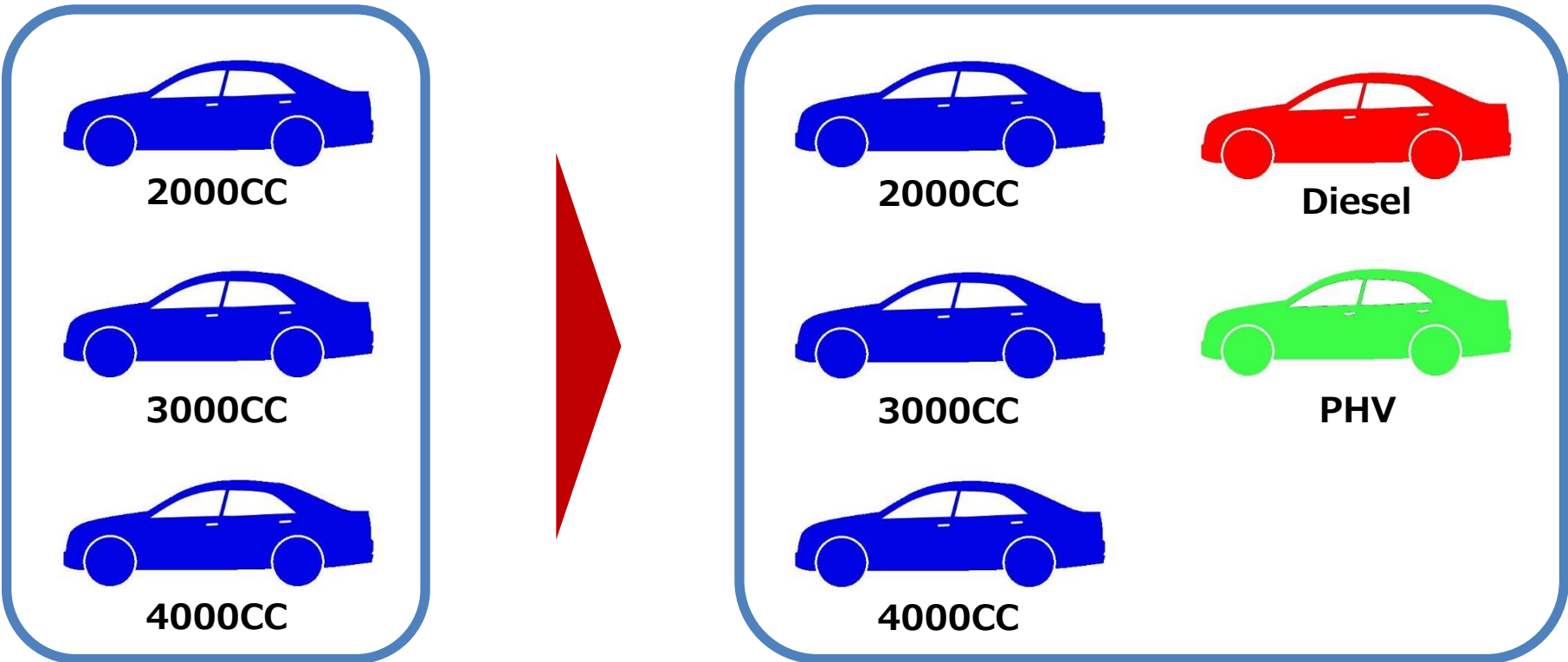
- Net sales increased year on year in every category, centered on new and used cars.
- Depreciation rose due to an increase in demonstration cars and the takeover of VOLVO Cars Odawara
- Various expenses increased as the Group started carrying Jaguar/Land Rover



Increase in Depreciation of Demonstration Cars



There has been an increasing trend in the number of demonstration cars as different types of engines become available.

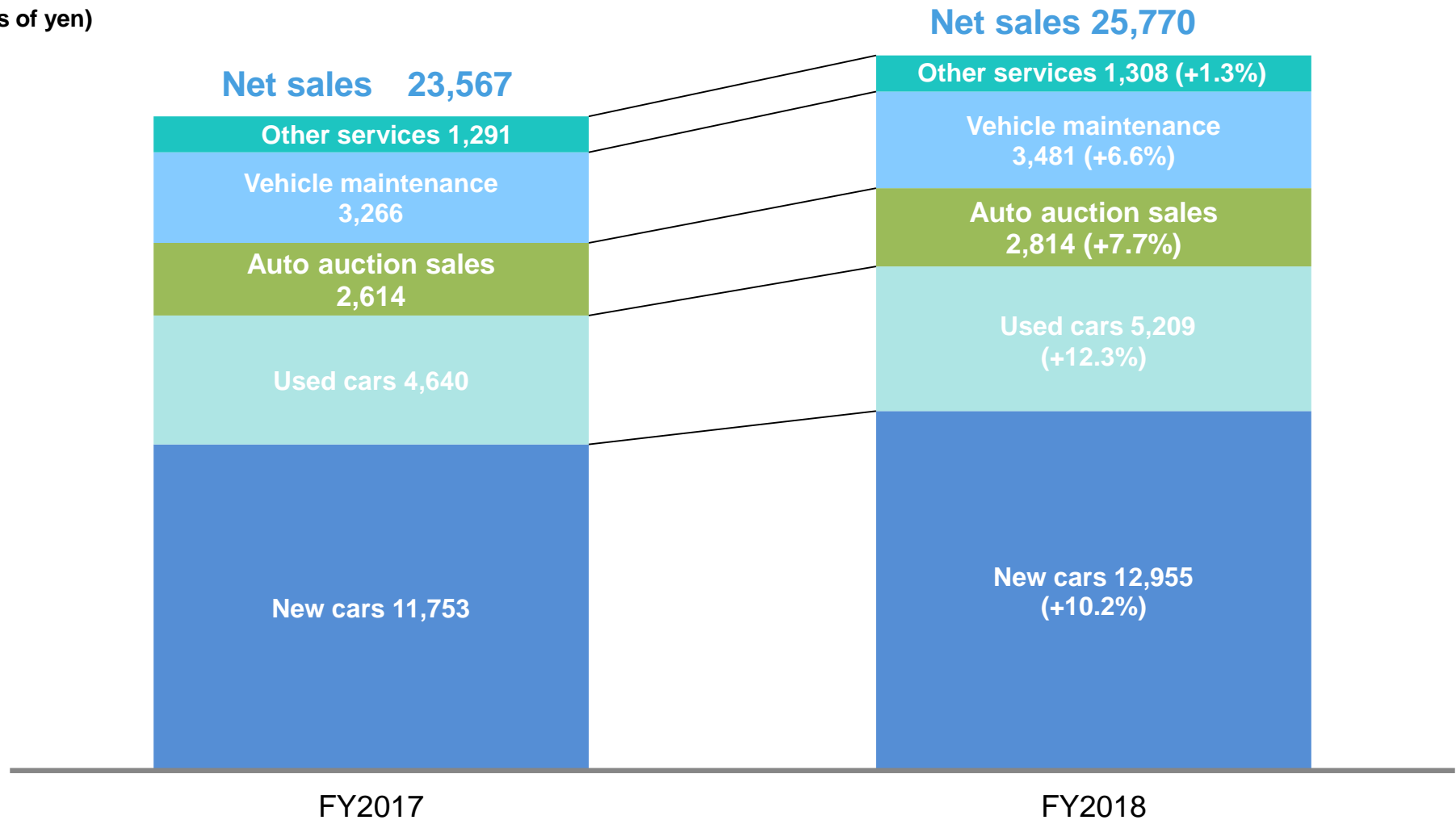


Net Sales by Category



Sales increased year on year in every category

(Millions of yen)

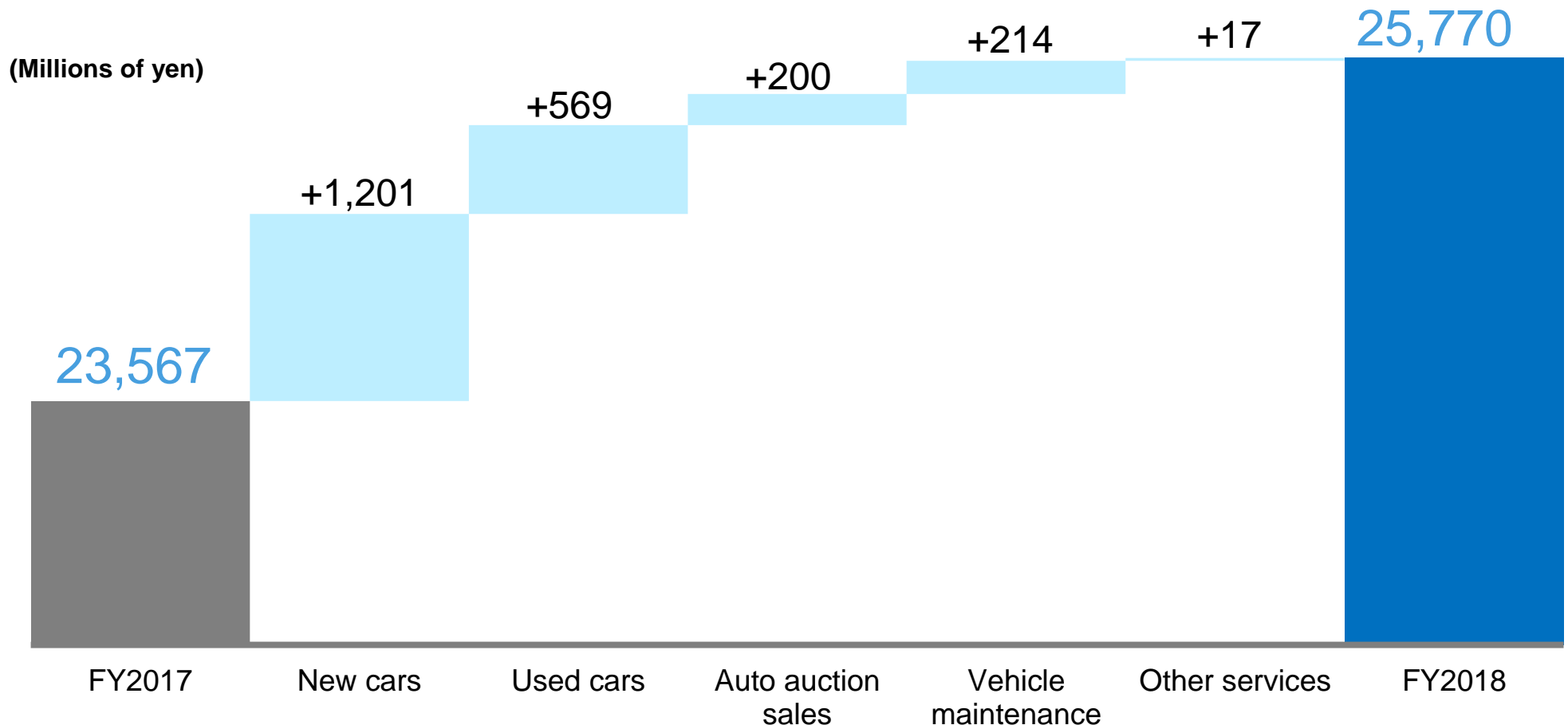


FY2017

FY2018

Analysis of Changes in Net Sales by Category

- Sales trended favorably, led by Alfa Romeo and FIAT, as a result of a focus on new car sales.
- Vehicle maintenance sales increased due to an increase in the number of customers under management, reflecting solid vehicle sales.
- Sales from other services also increased, including increases in incentives and the insurance attachment rate, due to solid new car sales.



Consolidated Balance Sheets (Assets)



(Millions of yen)	FY2017	FY2018	Change	YoY
Current assets	5,889	7,352	+1,463	+24.8%
Cash and deposits	1,416	1,463	+47	+3.4%
Accounts receivable - trade	121	148	+27	+22.4%
Merchandise	3,517	4,703	+1,186	+33.7%
Non-current assets	3,464	3,959	+494	+14.3%
Property, plant and equipment	2,558	3,121	+562	+22.0%
Intangible assets	483	390	-92	-19.2%
Total assets	9,354	11,312	+1,957	+20.9%
Ordinary profit to total assets	13.9%	12.1%	-1.8Pt	-

Consolidated Balance Sheets (Liabilities and Net Assets)

(Millions of yen)	FY2017	FY2018	Change	YoY
Current liabilities	4,399	5,215	+816	+18.6%
Accounts payable - trade	1,927	2,143	+216	+11.2%
Short-term loans payable	600	900	+300	+50.0%
Current portion of long-term loans payable	451	539	+88	+19.7%
Non-current liabilities	812	1,302	+490	+60.4%
Long-term loans payable	672	1,113	+440	+65.4%
Asset retirement obligations	110	146	+36	+33.0%
Net assets	4,142	4,793	+651	+15.7%
Equity to total assets	44.3%	42.4%	-1.9Pt	-
Return on equity	19.4%	18.2%	-1.2Pt	-

Statements of Cash Flows



(Millions of yen)	FY2017	FY2018	Change	Main components	FY2017	FY2018
Operating CF	441	-161	-603	Profit (loss) before income taxes Depreciation Amortization of goodwill Increase in inventories	1,179 419 95 -1,226	1,256 553 95 -1,848
Investing CF	-672	-454	+218	Purchase of property, plant and equipment Payments for lease and guarantee deposits Payments for transfer of business	-575 -58 -55	-254 -8 -168
Financing CF	267	663	+395	Net increase (decrease) in short-term loans payable Proceeds from long-term loans payable Repayments of long-term loans payable Purchase of treasury shares Cash dividends paid	- 800 -408 0 -121	300 1,000 -471 -79 -133
Net increase (decrease) in cash and cash equivalents	36	47	+11			
Cash and cash equivalents at end of period	1,416	1,463	+47			

Main reasons for cash used in operating activities



Increase in inventories: ¥621 million

- Increased because the Group started carrying the Jaguar/Land Rover brands
- Inventory stocking increased due to the policies of importers

Increase in income taxes paid: ¥106 million

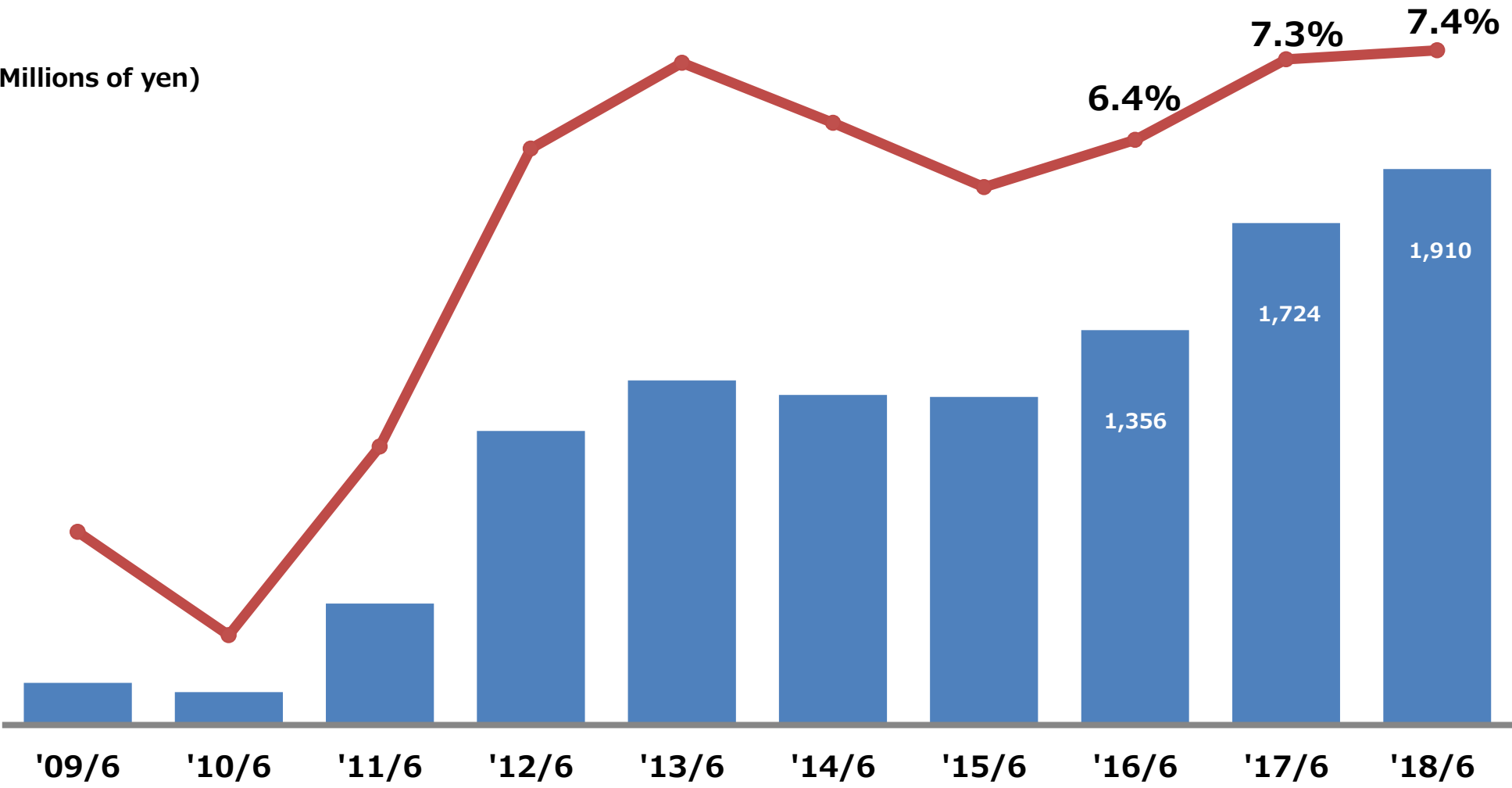
- Increased due to an increase in earnings

EBITDA



EBITDA increased 0.1 of a point year on year

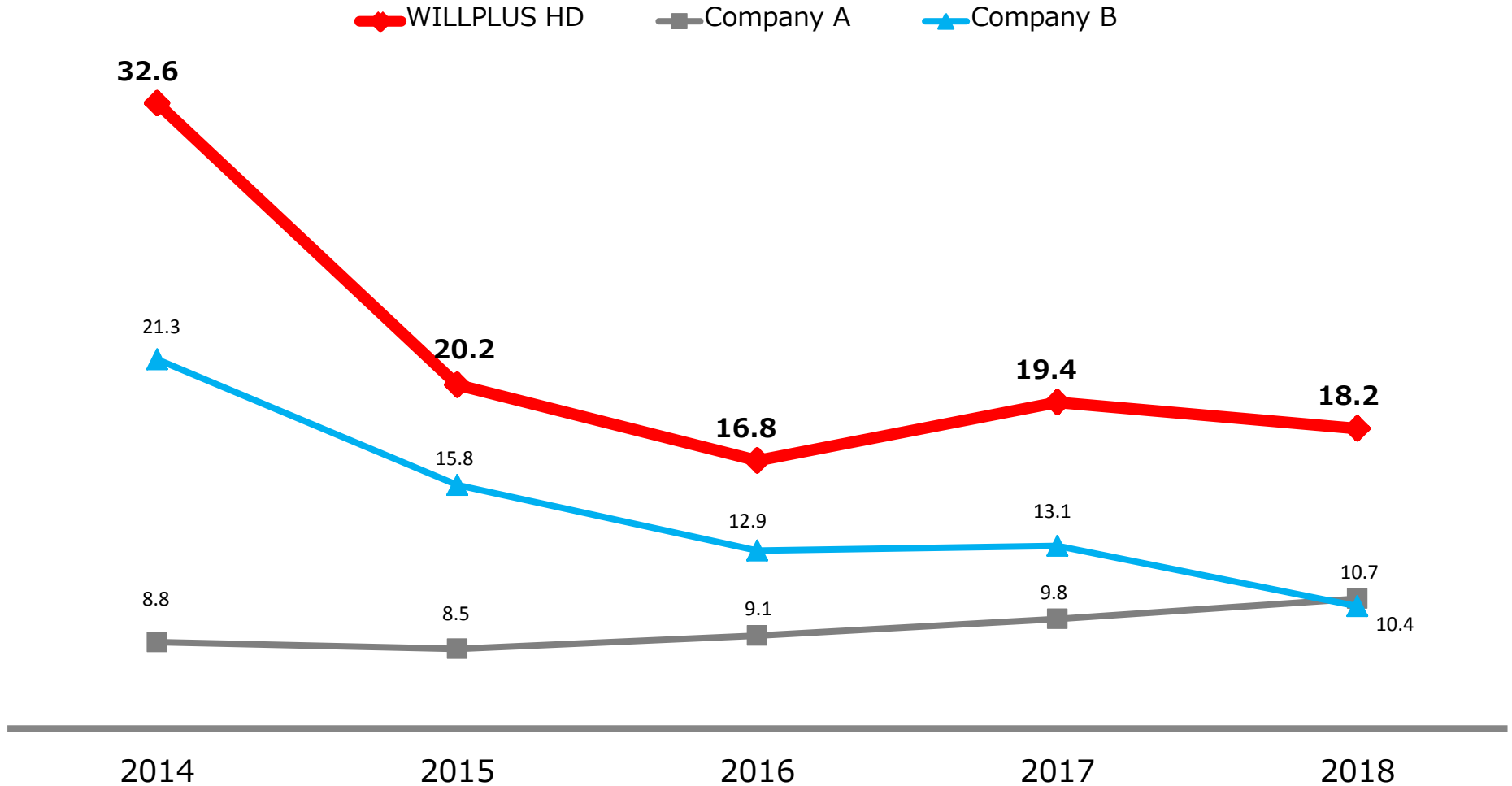
(Millions of yen)



■ EBITDA ■ EBITDA margin
EBITDA = Operating profit + Depreciation + Amortization of goodwill

Trend in ROE (Comparison with Competitors in the Same Industry)

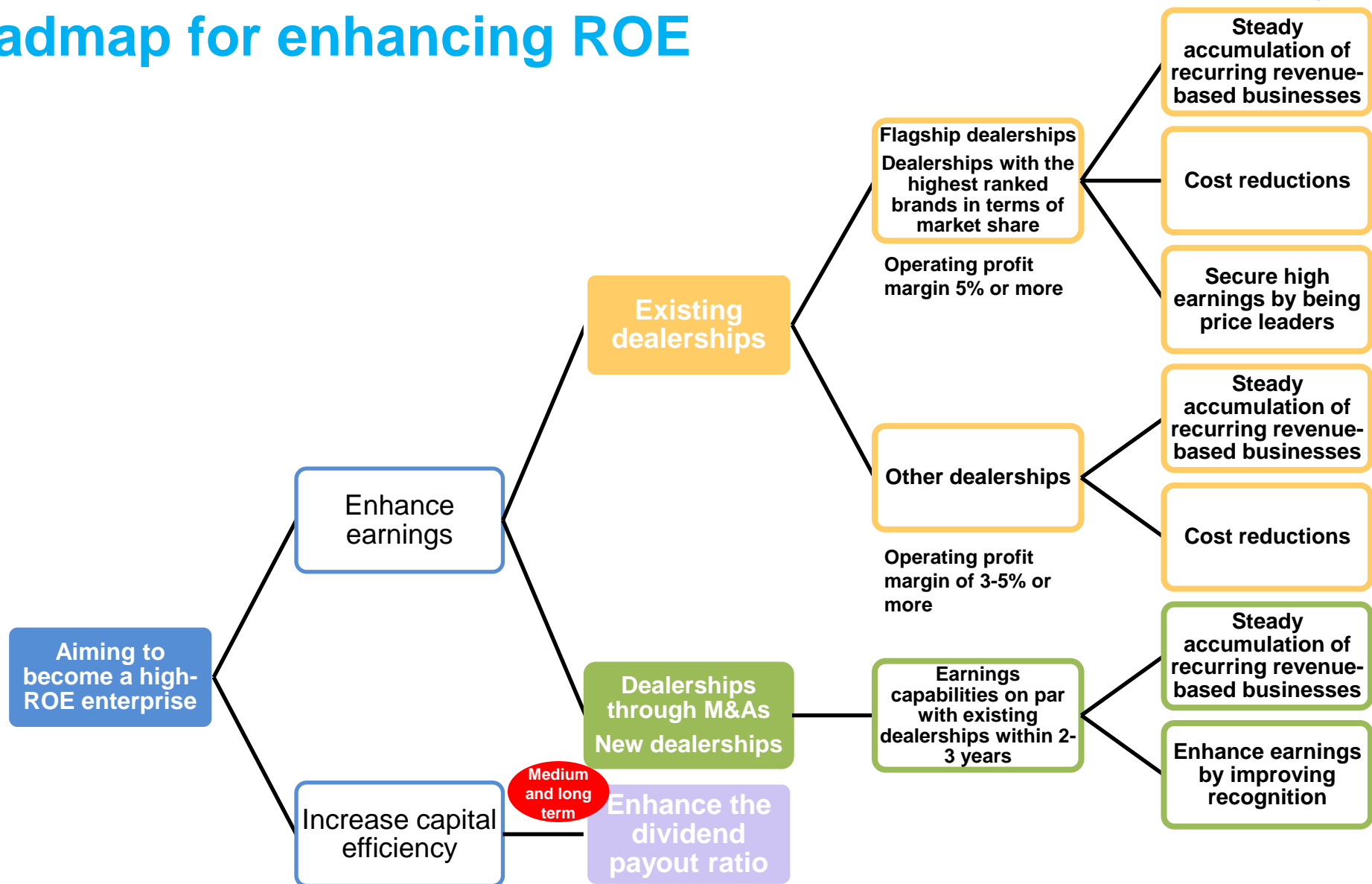
ROE maintained at higher levels than competitors



Source: Prepared by WILLPLUS Holdings based on various materials
Note: The fiscal years of the Company end in June, while the fiscal years of Company A and Company B end in March.

Further Enhance ROE

Roadmap for enhancing ROE



CHECKER MOTORS

- New car sales trended favorably for JEEP, centered on the new model Compass
- New car sales were solid for Alfa Romeo, primarily the new model Giulia, and for FIAT, primarily the limited-edition 500 model
- Sales of used JEEP vehicles were also strong

Willplus Motoren

- Sales of new BMW and MINI vehicles were on par with the previous year
- Used vehicle sales were solid for both BMW and MINI centered on unused vehicles
- Profits decreased due to a decline in the gross profit margin in line with increased discounts on BMW vehicles
- Profits decreased due to higher depreciation reflecting an increase in demonstration cars and an increase in personnel expenses reflecting an increase in the headcount to strengthen the operating structure

Teio Auto

- A net increase in sales from the takeover of VOLVO Cars Odawara
- Profits decreased due to a decline in gross profit reflecting a year-on-year decrease in net sales of existing dealerships
- Profits decreased due to higher depreciation reflecting an increase in demonstration cars and an increase in expenses reflecting the takeover of VOLVO Cars Odawara

CHECKER MOTORS: Statements of Income

(Millions of yen)	FY2017	FY2018	Change	YoY
Net sales	11,408	12,693	+1,285	+11.3%
Ordinary profit	542	698	+156	+28.9%
Ordinary profit margin	4.8%	5.5%	+0.7Pt	-
Profit	353	472	+119	+33.8%
Profit margin	3.1%	3.7%	+0.6Pt	-

Willplus Motoren: Statements of Income



(Millions of yen)	FY2017	FY2018	Change	YoY
Net sales	8,593	9,257	+663	+7.7%
Ordinary profit	397	358	-39	-9.9%
Ordinary profit margin	4.6%	3.9%	-0.7Pt	-
Profit	254	241	-12	-5.0%
Profit margin	3.0%	2.6%	-0.4Pt	-

Teio Auto: Statements of Income



(Millions of yen)	FY2017	FY2018	Change	YoY
Net sales	3,680	3,995	+314	+8.6%
Ordinary profit	197	148	-48	-24.4%
Ordinary profit margin	5.4%	3.7%	-1.7Pt	-
Profit	127	92	-35	-27.6%
Profit margin	3.5%	2.3%	-1.2Pt	-

A close-up, low-angle shot of a dark-colored car's front end. The focus is on the headlights and the grille. The headlights are illuminated with a bright blue light, and the grille features vertical slats. The background is dark, making the illuminated parts stand out.

Initiatives in the Fiscal Year Ending June 30, 2019

Initiatives Related to Opening Dealerships

Scheduled to open the new Porsche Center Koriyama (provisional name) sometime around January 2019

- Second Porsche dealership in the Tohoku area
- Broad coverage of the Tohoku area centered on Fukushima Prefecture

Enter the Tohoku area
for the first time



Rendering of Porsche Center Koriyama (provisional name)

Jaguar/Land Rover Kitakyushu (provisional name)



Scheduled to open a new dealership in Kitakyushu City in October 2018

Purpose of opening new dealership

- **Promote the Multi-Brand Strategy through new brands**
- **Promote the Dominant Strategy (strategy for establishing a dominant market position) in the Kitakyushu area**



Launch of New Models



FY2019

JEEP



Wrangler

Alfa Romeo
FIAT
ABARTH



Alfa Romeo STELVIO

BMW
MINI



BMW 3 Series Sedan *Photo of current model

VOLVO



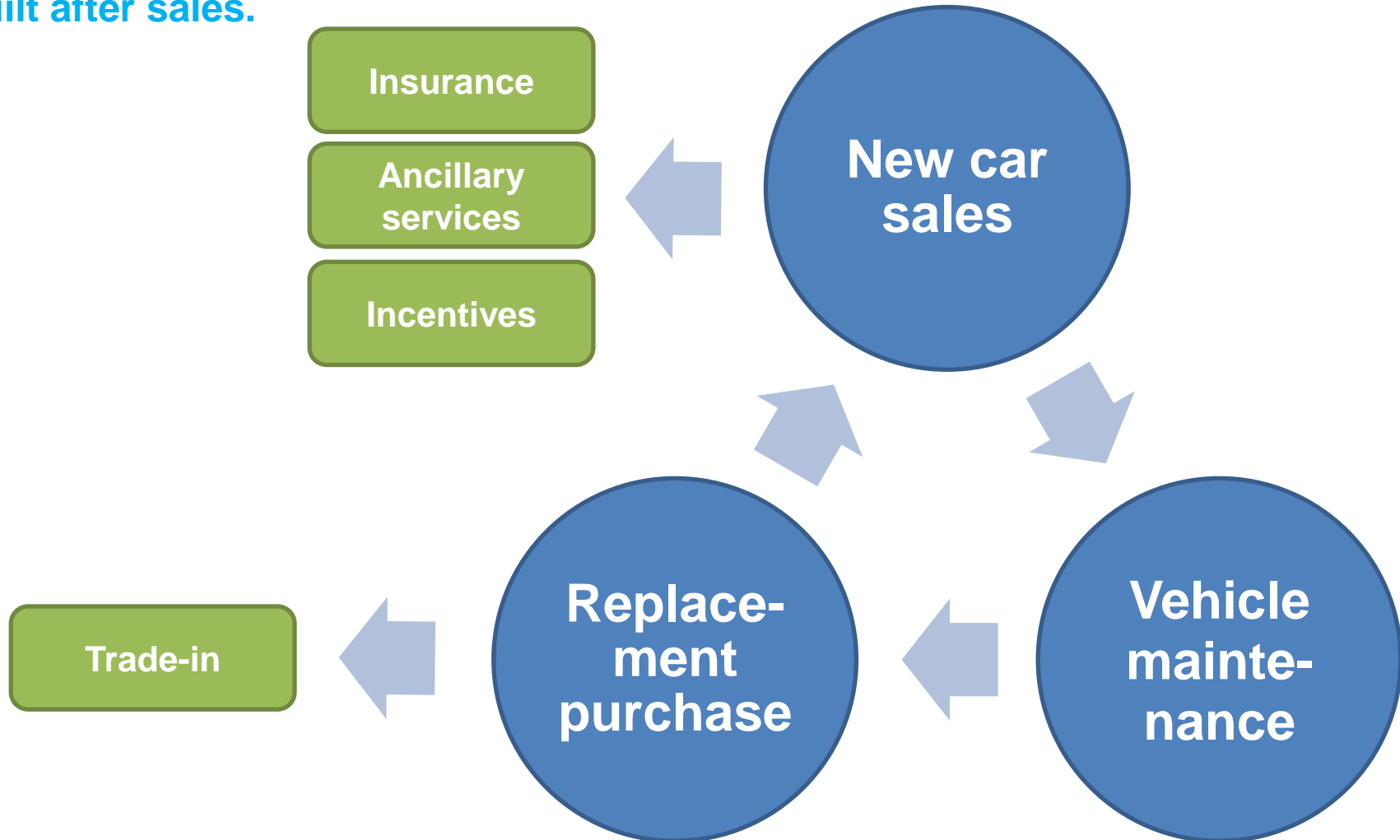
V60

* Includes forecasts of the Company

Focus on New Car Sales



- Because used cars can be sold nationwide over the Internet, making it is possible to sell all used cars without after sales contact.
- New cars are often sold within the territory, enabling long-lasting relationships to be built after sales.



A close-up photograph of the front of a white sports car. The image shows the hood with its characteristic curved lines, a black honeycomb grille with a red circular detail, and a portion of the headlight assembly. A bright blue horizontal band is superimposed across the middle of the image, containing the title text.

Consolidated Financial Forecasts for the Fiscal Year Ending June 30, 2019

Consolidated Financial Forecasts

Net sales: ¥29,510 million (Up 14.5% YoY)

Operating profit: ¥1,344 million (Up 6.6% YoY)

- Continue to focus on new car sales, primarily four new models
- Steadily accumulate recurring revenue-based businesses
- Full-year contributions from Alfa Romeo Ota, as well as Jaguar/Land Rover Shonan and Kitakyushu
- Net increase from the opening of Porsche Center Koriyama

Consolidated Financial Forecasts



(Millions of yen)	FY2018	FY2019	Change	YoY
Net sales	25,770	29,510	+3,740	+14.5%
Operating profit	1,261	1,344	+82	+6.6%
Operating profit margin	4.9%	4.6%	-0.3Pt	-
Ordinary profit	1,255	1,331	+76	+6.1%
Ordinary profit margin	4.9%	4.5%	-0.4Pt	-
Profit	815	850	+35	+4.3%
Profit margin	3.2%	2.9%	-0.3Pt	-



DEFENDER

Shareholder Returns



LAND
1948
2015
ROVER
SOLIHULL
ENGLAND

Shareholder Returns



Maintain stable dividends, targeting a dividend payout ratio of around 15%
The annual dividend for the fiscal year ending June 30, 2019 is forecast at ¥13.80 per share, an increase of ¥0.60 from the previous fiscal year.

(Per share)	FY2018	FY2019
Interim dividend	¥5.00	¥5.00
Year-end dividend	¥8.20	¥8.80
Annual dividend	¥13.20	¥13.80

Introduction of Ordinary and Commemorative Shareholder Benefits



The goal is to enhance the appeal of investing in the Company's shares and to encourage a wider range of investors to own the Company's shares. The Company plans to offer commemorative shareholder benefits only in June 2018, to mark the designation of its shares to the First Section of the Tokyo Stock Exchange.

	Number of shares held*	Record date	Description of benefits
Ordinary shareholder benefits	100 shares	End of June	QUO Card worth ¥1,000
(only in June 2018) Commemorative shareholder benefits	100 shares	End of June 2018	QUO Card worth ¥1,000

* For shareholders holding at least one share unit (100 shares) or more who are stated or recorded in the shareholder registry of the Company on the record date.

Disclaimer and Contact Information



+More pleasure for your future

We will continuously tackle the challenge of presenting customers with lifestyle proposals featuring imported cars, thereby contributing to the happiness of everyone we serve.

These presentation materials contain forward-looking statements such as the forecasts of the Company (including consolidated subsidiaries).

The forward-looking statements concerning plans, forecasts, strategies and other matters in these presentation materials are based on the judgments and assumptions of management reflecting information currently available to the Company. In light of the uncertainties inherent in these judgments and assumptions and the possibility of changes in future business management and internal and external conditions, the Company's actual financial results could differ materially from those forward-looking statements. In addition, information on companies and other entities other than the Company and the WILLPLUS Holdings Group are derived from published information and related sources. Accordingly, the Company cannot guarantee the accuracy of this information.

For investor-relations inquiries, please contact: Planning Section,

Administrative Department WILLPLUS Holdings Corporation

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