

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Non-Consolidated Financial Results for the Three Months Ended April 30, 2019 (Based on Japanese GAAP)

June 10, 2019

Company name: Casa Inc.
 Stock exchange listing: Tokyo
 Stock code: 7196 URL <https://www.casa-inc.co.jp>
 Representative: President Seigo Miyaji
 Inquiries: Director, Administration Department Toru Akiyama TEL 03-5339-1143
 Scheduled date to file Quarterly Securities Report: June 10, 2019
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the three months ended April 30, 2019 (from February 1, 2019 to April 30, 2019)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended April 30, 2019	2,298	8.4	282	6.3	292	3.9	180	8.0
Three months ended April 30, 2018	2,119	–	266	–	281	–	167	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2019	17.47		16.39	
Three months ended April 30, 2018	15.44		14.41	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2019	12,058	5,976	49.5
As of January 31, 2019	11,675	6,278	53.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended January 31, 2019	–	0.00	–	26.00	26.00
Year ending January 31, 2020	–				
Year ending January 31, 2020 (Forecast)		0.00	–	26.00	26.00

3. Forecast of non-consolidated financial results for the year ending January 31, 2020 (from February 1, 2019 to January 31, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending July 31, 2019	4,629	8.9	607	(7.8)	637	(7.8)	393	(7.9)	37.89
Full year	9,454	9.8	1,409	6.4	1,469	5.7	890	5.9	85.70

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of April 30, 2019	10,976,000 shares	As of January 31, 2019	10,976,000 shares
----------------------	-------------------	------------------------	-------------------

Number of treasury shares at the end of the period

As of April 30, 2019	776,218 shares	As of January 31, 2019	587,918 shares
----------------------	----------------	------------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2019	10,343,389 shares	Three months ended April 30, 2018	10,839,898 shares
-----------------------------------	-------------------	-----------------------------------	-------------------

Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2019	As of April 30, 2019
Assets		
Current assets		
Cash and deposits	2,705,884	2,185,999
Accounts receivable - trade	1,160,310	1,375,578
Accounts receivable - other	722,469	1,285,745
Right to reimbursement	2,676,141	2,647,008
Other	96,176	104,036
Allowance for doubtful accounts	(1,734,965)	(1,825,235)
Total current assets	5,626,016	5,773,132
Non-current assets		
Property, plant and equipment	59,484	55,719
Intangible assets		
Goodwill	3,841,214	3,775,739
Other	120,257	123,163
Total intangible assets	3,961,471	3,898,903
Investments and other assets		
Deferred tax assets	1,827,716	2,044,226
Other	201,019	286,634
Allowance for doubtful accounts	(39)	(39)
Total investments and other assets	2,028,696	2,330,821
Total non-current assets	6,049,653	6,285,443
Total assets	11,675,670	12,058,575
Liabilities		
Current liabilities		
Income taxes payable	425,768	349,534
Advances received	4,089,266	4,607,473
Provision for bonuses	122,338	181,156
Other	756,407	941,803
Total current liabilities	5,393,781	6,079,967
Non-current liabilities		
Other	3,495	2,491
Total non-current liabilities	3,495	2,491
Total liabilities	5,397,277	6,082,459
Net assets		
Shareholders' equity		
Capital stock	1,549,280	1,549,280
Capital surplus	1,549,280	1,549,280
Retained earnings	3,877,501	3,788,106
Treasury shares	(699,388)	(899,303)
Total shareholders' equity	6,276,674	5,987,364
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	–	(12,965)
Total valuation and translation adjustments	–	(12,965)
Share acquisition rights	1,718	1,718
Total net assets	6,278,392	5,976,116
Total liabilities and net assets	11,675,670	12,058,575

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended April 30, 2018	Three months ended April 30, 2019
Net sales	2,119,862	2,298,242
Cost of sales	750,638	845,143
Gross profit	1,369,223	1,453,098
Selling, general and administrative expenses	1,103,217	1,170,207
Operating profit	266,006	282,891
Non-operating income		
Gain on bad debts recovered	14,232	10,058
Other	3,414	170
Total non-operating income	17,647	10,228
Non-operating expenses		
Interest expenses	989	—
Commission fee	1,234	809
Total non-operating expenses	2,224	809
Ordinary profit	281,429	292,309
Profit before income taxes	281,429	292,309
Income taxes - current	281,476	328,125
Income taxes - deferred	(167,418)	(216,509)
Total income taxes	114,058	111,615
Profit	167,370	180,694