

# Casa Inc.

Financial Results Presentation  
for the Fiscal Year Ending January 2021

Listed Code : 7196

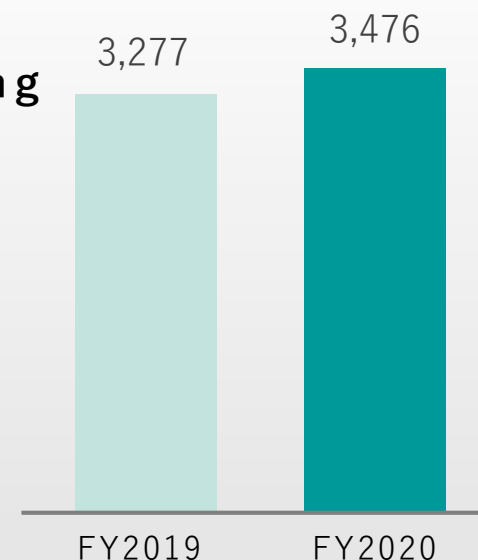


**Net Sales****10,226 Million****Change in the same period of the previous year + 8.4%**

The number of new contracts exceeds the previous year by 6.9%

**Operating profit****1,031 Million****Change in the same period of the previous year  $\triangle$  32.3%**

Increased allowance for doubtful accounts due to the effects of COVID-19

**Profit excluding allowance for doubtful accounts****Gross profit****+ 7.6%**Unit:  
One million yen**Operating income****+ 6.1%**Unit:  
One million yen

Unit: One million yen

	FY2019	FY2020		
	Amount of money	Amount of money	Last year Change amount	Last year YoY Rate
Net Sales	9,436	<b>10,226</b>	<b>790</b>	<b>+ 8.4%</b>
Operating profit	1,522	<b>1,031</b>	<b>△ 491</b>	<b>△ 32.3%</b>
Ordinary Profit	1,577	<b>1,090</b>	<b>△ 487</b>	<b>△ 30.9%</b>
Profit attributable to owners of parent	927	<b>611</b>	<b>△ 316</b>	<b>△ 34.1%</b>

		FY2019	FY2020			
		Amount of money	Amount of money	Last year Change amount	Last year YoY Rate	
Unit: One million yen						
Net Sales		9,436	10,226	790	8.4%	137,000 new contracts Number of Contracts Held 562,000
	Initial guarantee fee	5,105	5,537	432	8.5%	
	Annual guarantee fee	4,181	4,538	356	8.5%	
Cost of sales		3,270	4,146	876	26.8%	
	Referral referral fee	802	988	186	23.3%	Increased referral fee
	Lawsuit / Dispose expense	588	687	99	16.8%	Increased lawsuit resolution
	Provision of allowance for doubtful accounts	1,754	2,444	690	39.3%	
Gross profit		6,165	6,080	△ 85	△ 1.4%	Impact of COVID-19 Right to Reimbursement increased
Selling, general and administrative expenses		4,642	5,048	405	8.7%	Increased system investment Increase in variable costs with new contract sales expansion
Operating profit		1,522	1,031	△ 491	△ 32.3%	

Unit: One million yen	FY2019	FY2020	Increase / decrease
Current Assets	6,529	<b>6,827</b>	297
Right to Reimbursement	3,117	<b>3,927</b>	810
Allowance for doubtful accounts	△ 1,826	△ <b>2,495</b>	△ 668
Non-current Assets	6,141	<b>6,589</b>	447
Goodwill	3,579	<b>3,317</b>	△ 261
Total assets	12,671	<b>13,416</b>	745
Liabilities	6,061	<b>6,605</b>	543
Advance payment	4,425	<b>4,751</b>	325
Long-term and short-term borrowing	-	-	-
Net Assets	6,610	<b>6,811</b>	201

Recovery rate decreases due to the influence of COVID-19

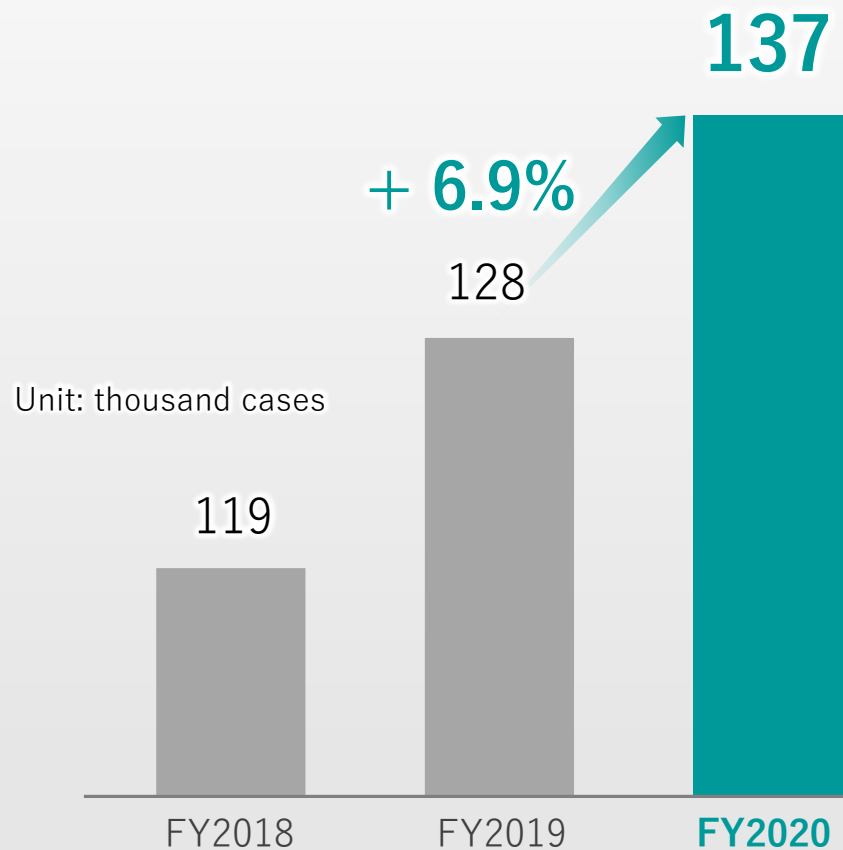
For guaranteed balance Right to Reimbursement rate is 9.1% (YoY +1.3pt)

[Breakdown]  
New Contracts Held on track  
New contract: +6.9%  
Contracts Held : +7.6%

Initial guarantee fee  
2,522 Million Yen  
Annual guarantee fee  
2,229 Million Yen

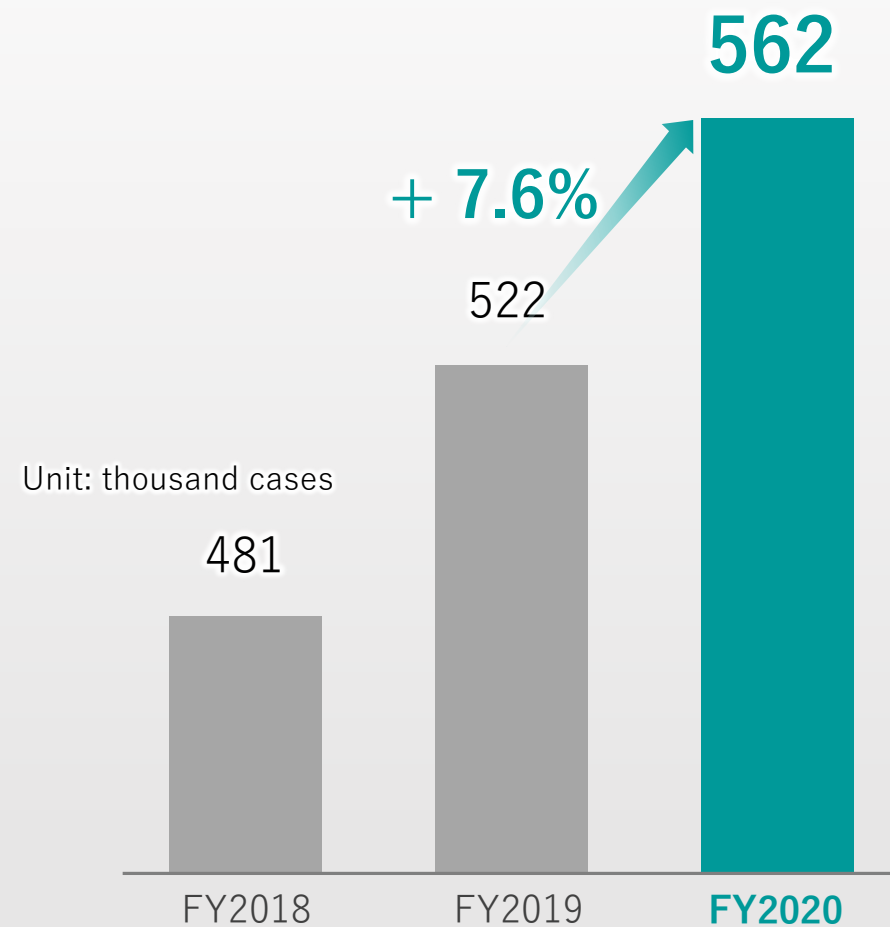
## Number of new contracts

Under the influence of COVID-19  
Achievements exceeding the previous year even  
though market conditions are shrinking



## Contracts Held

Contracts Held  
Stock sales are steadily increasing

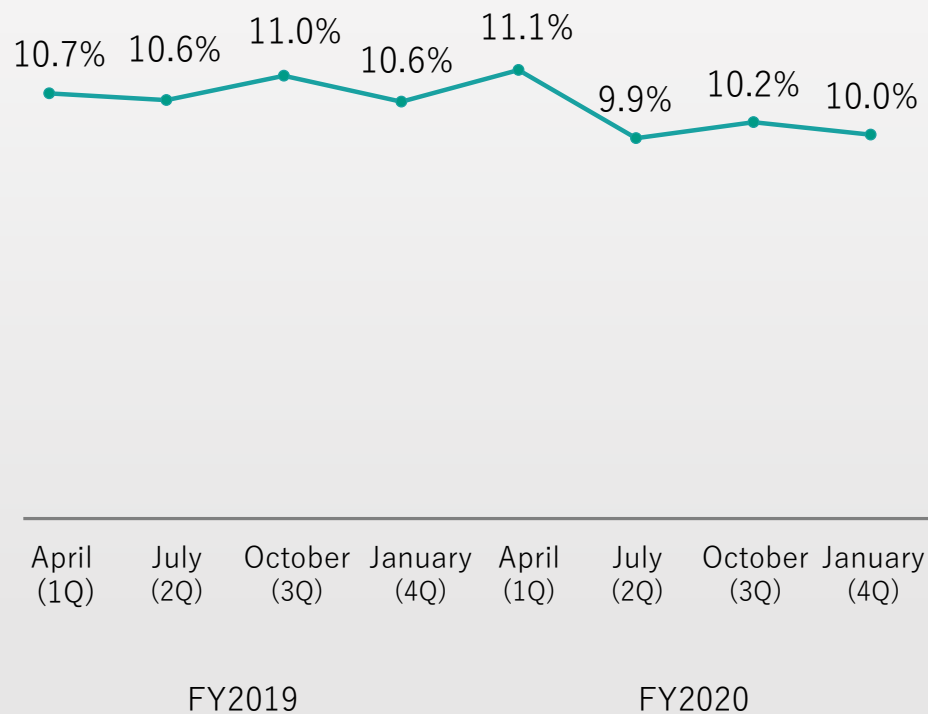


	FY2019	FY2020		
<b>Number of new contracts</b>	128,274	<b>137,147</b>	<b>+ 8,873</b>	<b>+ 6.9%</b>
(Incl.) “Yanushi Direct” ( ) Percentage of new contracts	28,027 (22%)	<b>41,419</b> (30%)	<b>+13,392</b>	<b>+ 47.8%</b>
<b>Number of agencies</b>	8,986	<b>9,942</b>	<b>+ 956</b>	<b>+ 10.6%</b>
<b>Contracts Held</b>	522,161	<b>562,052</b>	<b>+ 39,891</b>	<b>+ 7.6%</b>

The number of small agencies increased significantly, and “Yanushi Direct” increased by 47.5% from the previous quarter.

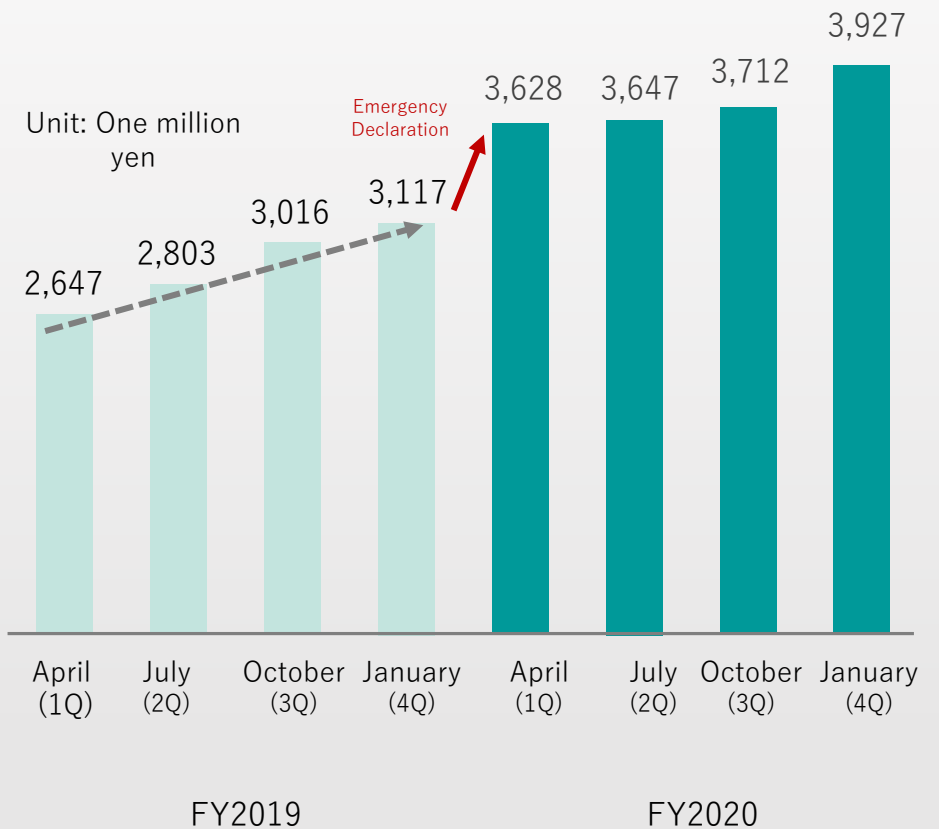
## Delinquency rate

Flattened after July due to public support



## Right to Reimbursement

Right to Reimbursement increases due to lower recovery rate





## Year-end dividend forecast

- Year-end dividend: Forecast **30yen** / share (previous year dividend 28Yen)

## Resolution to buy back shares (March 11, 2021)

- Total number of shares to be acquired: Up to **200Million Yen**  
Acquisition period: March 12, 2021 to April 30, 2021  
Purpose: To enhance shareholder returns and improve capital efficiency

FY2020 operating CF was 1,077Million Yen  
(1,193Million Yen in the previous fiscal year)

Will continue to acquire appropriately according to free cash flow

# FY2021 Business plan

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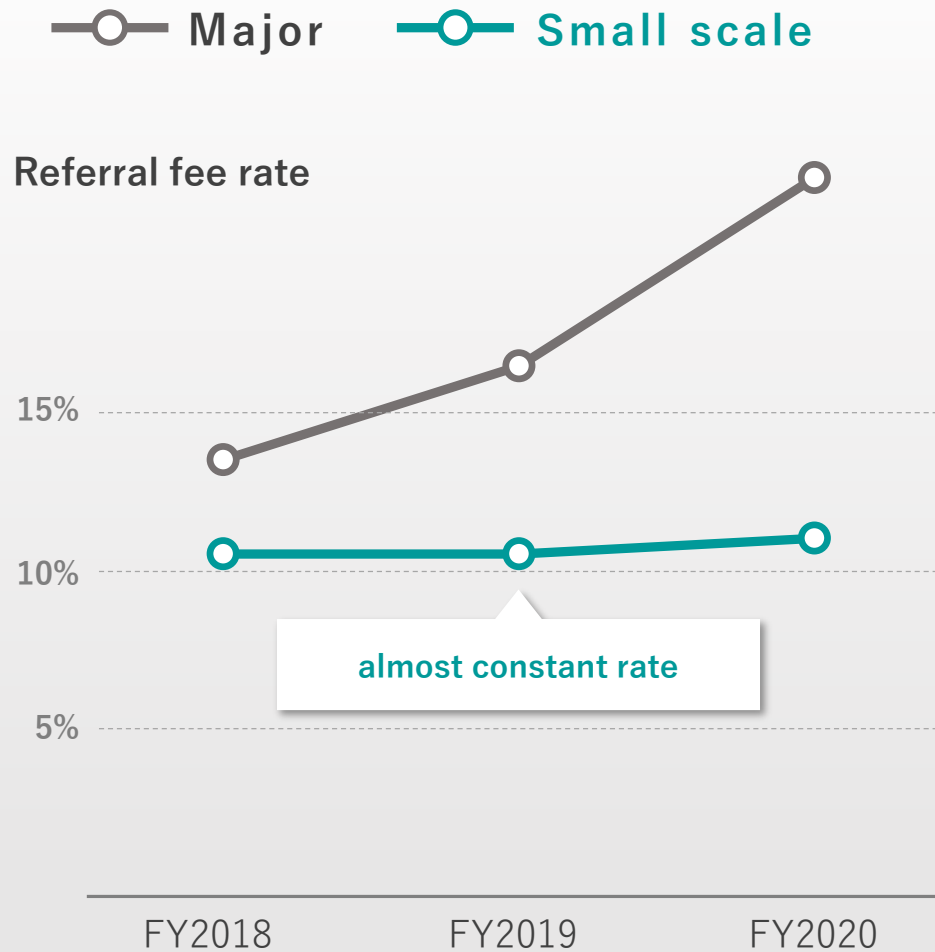
*Business Plan*

	FY2020	FY2021		
	Amount of money	Amount of money	Last year Change amount	Last year YoY Rate
Unit: One million yen				
Net Sales	10,226	<b>10,323</b>	96	+ 0.9%
Gross profit	6,080	<b>6,089</b>	8	+ 0.1%
Selling, general and administrative expenses	5,048	<b>5,256</b>	208	+ 4.1%
Operating income	1,031	<b>832</b>	△ 199	△ 19.3%
Ordinary Profit	1,090	<b>850</b>	△ 239	△ 22.0%
Attributable to parent company shareholders Profit	611	<b>489</b>	△ 121	△ 19.9%

Unit: One million yen

	FY2020	FY2021			
	Amount of money	Amount of money	Last year Change amount	Last year YoY Rate	
Net Sales	10,226	<b>10,323</b>	<b>96</b>	<b>+ 0.9%</b>	Start of agency selection 128Thousand new contracts
Cost of sales	4,146	<b>4,234</b>	<b>87</b>	<b>+ 2.1%</b>	
Referral referral fee	988	<b>1,034</b>	<b>45</b>	<b>+ 4.6%</b>	Soaring referral fee
Proceedings / Dispose expense	687	<b>770</b>	<b>82</b>	<b>+ 12.0%</b>	Increase in the number of proceedings
Provision of allowance for doubtful accounts	2,444	<b>2,401</b>	<b>△ 43</b>	<b>△ 1.8%</b>	Reduce allowance for doubtful accounts by cutting uncollected loans
Gross profit	6,080	<b>6,089</b>	<b>8</b>	<b>+ 0.1%</b>	
Selling, general and administrative expenses	5,048	<b>5,256</b>	<b>208</b>	<b>+ 4.1%</b>	<ul style="list-style-type: none"> <li>• Increase in personnel (+32)</li> <li>• Costs associated with new system migration (Temporary cost 124Million Yen)</li> </ul>
Operating income	1,031	<b>832</b>	<b>△ 199</b>	<b>△ 19.3%</b>	

## Referral fee rate transition by agency size



\* Major agency: Over 3,000 managed units

## Referral fee rate increases

Need to select business partners

### Major agency

- Review of unprofitable agencies
- Improve profitability by suppressing the occurrence of delinquency

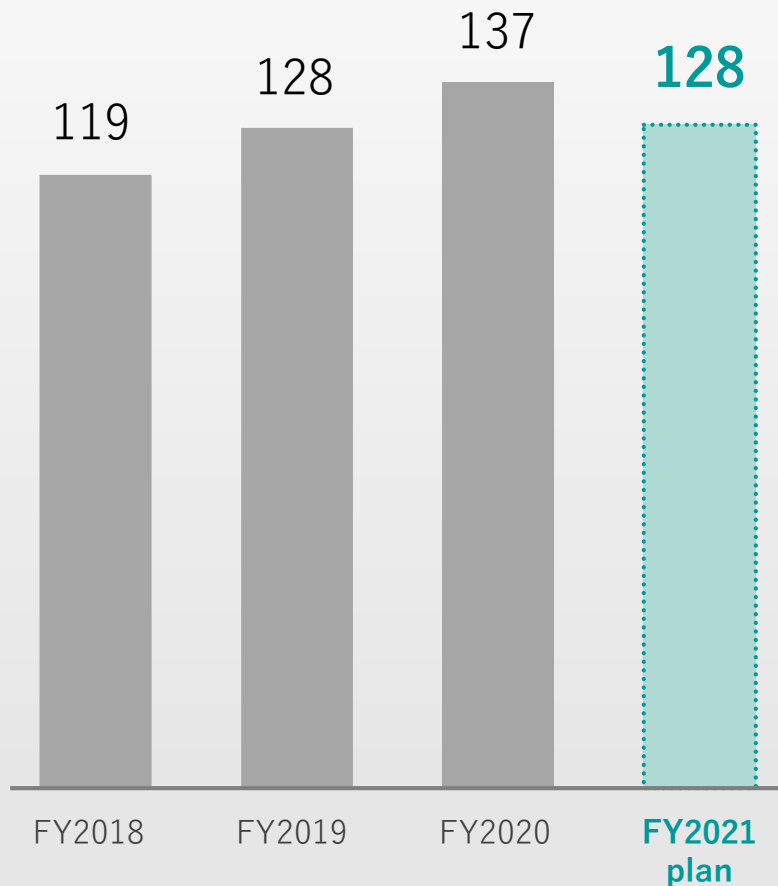
### Small agency

- Increase in business partners by providing added value
- Further expansion of Mediation network

## Number of contracts

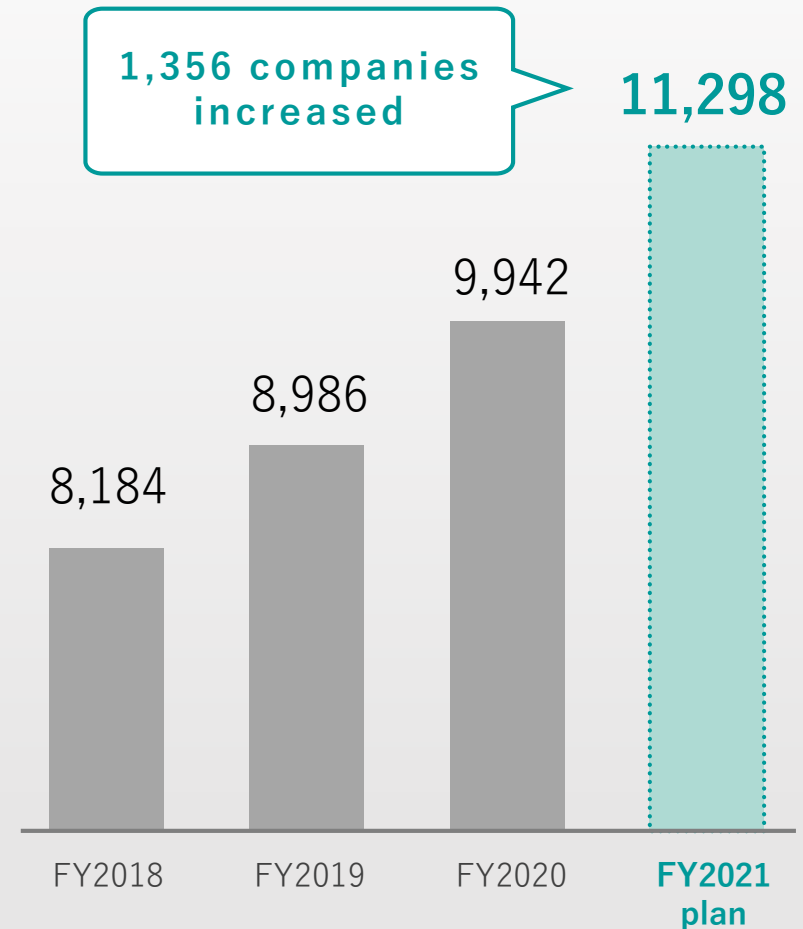
Review of unprofitable agencies

Unit: thousand cases



## Number of agencies

Unit: companies



# Sales Strategy

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## From price competition to value-added competition

### Self-management market



Number of managed units

**6.5 Million units**

**Less Competitive**

### Management company market



Number of managed units

**10 Million units**

**Highly Competitive**

\* Our research



## Service for major agencies



## OEM supply utilizing personal credit information

### Advantages

1

Improvement of  
examination accuracy

2

Reduction of  
clerical work related  
to examination

3

Controlling the  
rate of delinquency

# CasaWEB

## Advantages of introduction

1

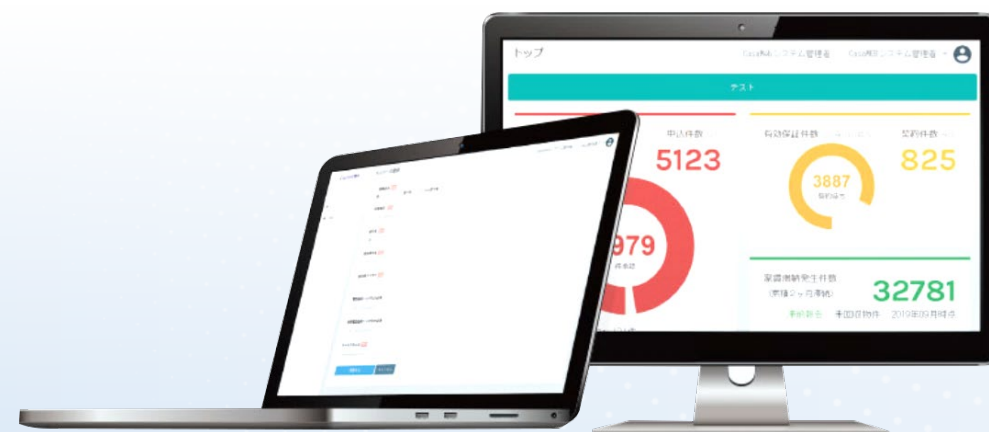
Linking systems enable to  
**Streamline  
complicated work**

2

Focus on customer follow-up  
and new sales  
**Create time**

3

Online application eliminates  
the need to visit the store  
**Complete the procedure  
non-face-to-face**



Web application



Electronic contract



WEB account  
transfer



Household  
insurance cooperation



Application  
contract details



Remittance  
details



Delinquent  
batch registration

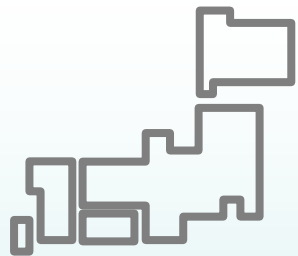
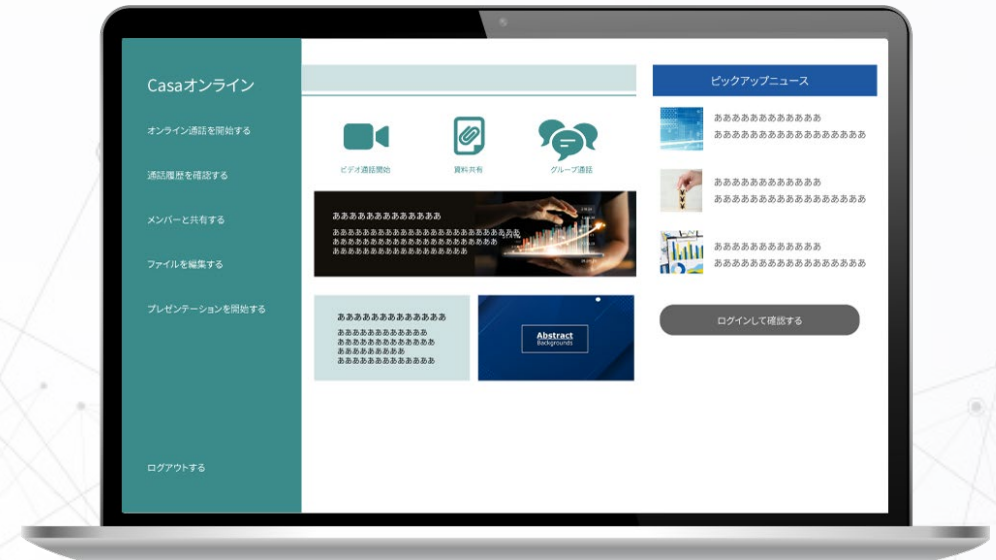


Delinquency report



Change / Cancellation/  
Report of payment etc.

## Online negotiations targeting small management companies



Approaching distant  
customers

**Expansion of  
business area**



By improving sales  
efficiency

**Cost reduction**



Visualization of  
negotiation content

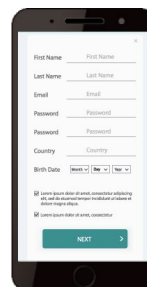
**Sales skill leveling**

## Online mediation



Vacancy recruitment  
Sending customers  
to the intermediary

## Landlord Cafe



Easy to manage  
contract information  
on the Web

## Resident Cafe



Easily deal with  
resident troubles



### WEB customer service

Preview reservation  
on the WEB  
Easy registration  
and management



### WEB application

Shorten application time  
and work efficiency up



### WEB account transfer

The procedure of  
rent fund transfer  
is easy by smartphone



### Electronic contract

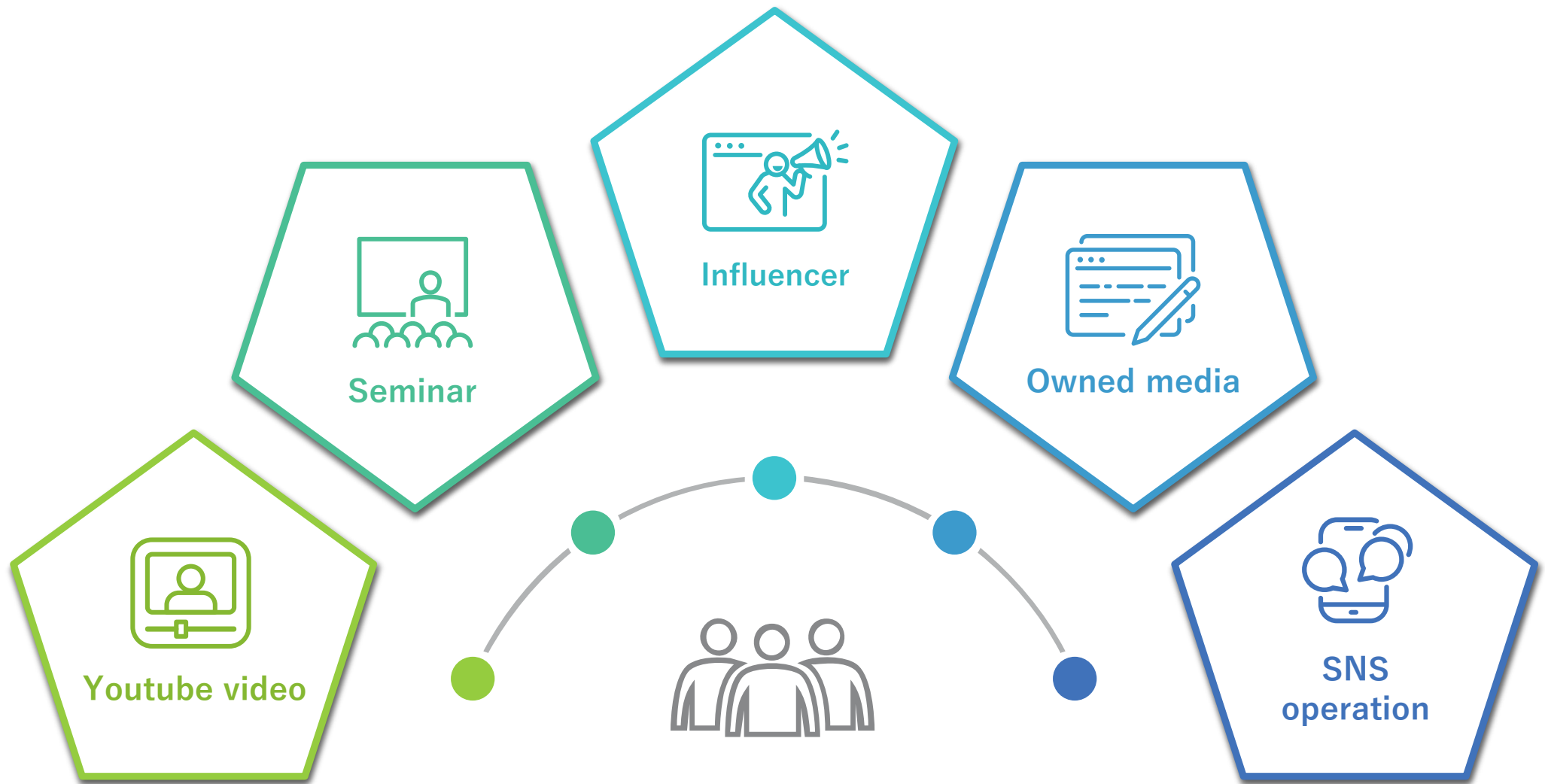
Contract procedure  
go online



### Resident app

Emergency Service  
And more Service up

Use IT to increase the value of “Yanushi Direct”



## Expand marketing channels



## Cost reduction by introducing IT to business

### Application reception

Web application  
Automation of credit judgment

First year cost reduction

**57Million Yen/year**

### Contract processing

Electronic contract / Conclusionwork  
automation  
Delinquent registration /  
Cancellation / Change on the Web

First year cost reduction

**42Million Yen/year**

### Credit management,etc.

Automatic shipping of notifications  
Automatic generation of call target list

First year cost reduction

**37Million Yen/year**

# 養育費保証 PLUS



## Support independence

### 1 Looking for room

No guarantor required!  
Supports room search.

### 2 Looking for a job

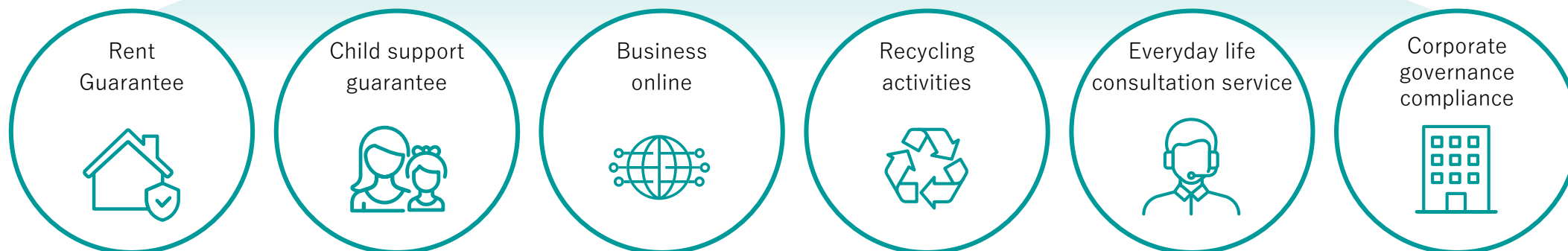
Supports job search in partnership with the Japan Single Mother Support Association.

### 3 Living consultation

Changes in living environment and income, etc.  
Supports tailored to your needs.



**We contribute to achieving the goals of the SDGs through our service supply.**





# Strengthen compliance system

## Raising compliance awareness



Penetration of related regulations



Implementation of regular training



Training by an outside lawyer

## Expansion of Compliance Committee



Expanding the role of the Compliance Committee



Clarification of resolutions



Appointment of externally employed members to committee

## Enhancement of whistleblowing system



Disseminate and thoroughly inform the existence and significance of the whistleblowing system



Enhancement of whistleblowing system

- In addition to our business and industry trends, this document also refers to our future prospects based on our current plans, estimates, forecasts or forecasts.
- These forward-looking statements carry various risks and uncertainties.
- Already known or unknown risks, uncertainties and other factors may or may not lead to different consequences than those contained in the statement of future prospects.
- We can not promise that our forward-looking statements are correct, and our results may differ materially from our forward-looking statements.
- The forward-looking statements in this document were made by the Company based on available information as of March 11, 2021, and any forward-looking statement, reflecting future events or circumstances. The statement of the statement is also not updated or changed.