

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended October 31, 2018 (Based on Japanese GAAP)

December 10, 2018

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 Senji Horiuchi TEL 03-5339-1143
 Scheduled date to file Quarterly Securities Report: December 10, 2018
 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 nine months ended October 31, 2018 (from February 1, 2018 to October 31, 2018)

(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	%
Nine months ended October 31, 2018	6,411	3.0	1,111	34.4	1,153	34.0	722	37.4
Nine months ended October 31, 2017	6,223	–	826	–	860	–	525	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2018	67.06		62.43	
Nine months ended October 31, 2017	50.54		46.60	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2018	12,025	6,625	55.1
As of January 31, 2018	11,764	6,344	53.9

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, 2018	–	0.00	–	44.50	44.50
Year ending January 31, 2019	–	0.00	–	–	–
Year ending January 31, 2019 (Forecast)	–	–	–	24.50	24.50

3. Forecast of non-consolidated financial results for the year ending January 31, 2019 (from February 1, 2018 to January 31, 2019)

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
Full year	8,854	6.8	1,246	6.8	1,296	6.9	801	7.5	74.53

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 October 31, 2018	10,840,000 shares	As of January 31, 2018	10,840,000 shares
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Number of treasury shares at the end of the period

As of October 31, 2018	162,818 shares	As of January 31, 2018	102 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended October 31, 2018	10,771,522 shares	Nine months ended October 31, 2017	10,403,223 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of January 31, 2018	As of October 31, 2018
Assets		
Current assets		
Cash and deposits	2,507,492	2,931,083
Accounts receivable - trade	1,025,836	1,155,321
Right to reimbursement	2,853,561	2,692,990
Deferred tax assets	1,682,804	1,821,874
Other	661,867	675,834
Allowance for doubtful accounts	(1,611,592)	(1,554,624)
Total current assets	7,119,969	7,722,480
Non-current assets		
Property, plant and equipment	73,397	58,615
Intangible assets		
Goodwill	4,103,115	3,906,689
Other	181,283	126,740
Total intangible assets	4,284,399	4,033,430
Investments and other assets		
Other	287,773	211,318
Allowance for doubtful accounts	(1,127)	(39)
Total investments and other assets	286,646	211,278
Total non-current assets	4,644,443	4,303,324
Total assets	11,764,412	12,025,805
Liabilities		
Current liabilities		
Current portion of long-term loans payable	600,000	—
Income taxes payable	284,941	299,169
Advances received	3,717,134	4,157,887
Provision for bonuses	143,800	183,508
Other	656,080	752,711
Total current liabilities	5,401,957	5,393,277
Non-current liabilities		
Other	18,007	6,916
Total non-current liabilities	18,007	6,916
Total liabilities	5,419,965	5,400,194
Net assets		
Shareholders' equity		
Capital stock	1,532,221	1,532,221
Capital surplus	1,532,221	1,532,221
Retained earnings	3,278,286	3,759,433
Treasury shares	(119)	(200,102)
Total shareholders' equity	6,342,609	6,623,772
Subscription rights to shares	1,837	1,837
Total net assets	6,344,447	6,625,610
Total liabilities and net assets	11,764,412	12,025,805

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2017	Nine months ended October 31, 2018
Net sales	6,223,257	6,411,131
Cost of sales	2,164,138	2,071,435
Gross profit	4,059,119	4,339,696
Selling, general and administrative expenses	3,232,446	3,228,548
Operating profit	826,672	1,111,147
Non-operating income		
Gain on bad debts recovered	45,703	48,757
Gain on sales of bad debts	24,874	—
Other	729	4,466
Total non-operating income	71,306	53,224
Non-operating expenses		
Interest expenses	4,120	2,349
Commission fee	2,939	8,584
Share issuance cost	7,908	—
Listing expenses	22,097	—
Total non-operating expenses	37,066	10,933
Ordinary profit	860,913	1,153,438
Profit before income taxes	860,913	1,153,438
Income taxes - current	513,148	569,223
Income taxes - deferred	(177,986)	(138,119)
Total income taxes	335,162	431,103
Profit	525,750	722,334