

Translation

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Summary of Consolidated Financial Results for the Three Months Ended April 30, 2020 (Based on Japanese GAAP)

June 12, 2020

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 Yusuke Takasugi TEL 03-5339-1143
 Scheduled date to file Quarterly Securities Report: June 12, 2020
 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. Consolidated financial results for the three months ended April 30, 2020 (from February 1, 2020 to April 30, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended April 30, 2020	2,502	—	(76)	—	(67)	—	(70)	—
Three months ended April 30, 2019	—	—	—	—	—	—	—	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended April 30, 2020	(6.98)	—
Three months ended April 30, 2019	—	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2020	12,782	6,065	47.4
As of January 31, 2020	12,671	6,610	52.1

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, 2020	—	0.00	—	28.00	28.00
Year ending January 31, 2021	—				
Year ending January 31, 2021 (Forecast)		0.00	—	30.00	30.00

3. Forecast of consolidated financial results for the year ending January 31, 2021 (from February 1, 2020 to January 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending July 31, 2020	5,067	9.2	432	(39.3)	457	(37.7)	278	(40.0)	27.33
Full year	10,446	10.7	1,634	7.3	1,679	6.5	1,012	9.2	99.27

4. Notes

- (1) Changes in significant subsidiaries during the three months ended April 30, 2020
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of April 30, 2020	11,072,000 shares	As of January 31, 2020	11,072,000 shares
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Number of treasury shares at the end of the period

As of April 30, 2020	987,746 shares	As of January 31, 2020	869,846 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2020	10,115,619 shares	Three months ended April 30, 2019	10,343,389 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of January 31, 2020	As of April 30, 2020
Assets		
Current assets		
Cash and deposits	2,824,905	2,050,925
Accounts receivable - trade	1,293,073	1,330,952
Accounts receivable - other	846,978	1,437,243
Right to reimbursement	3,117,737	3,628,966
Other	273,845	125,265
Allowance for doubtful accounts	(1,826,810)	(2,300,524)
Total current assets	6,529,729	6,272,828
Non-current assets		
Property, plant and equipment	54,302	51,848
Intangible assets		
Goodwill	3,579,313	3,513,838
Other	137,284	256,279
Total intangible assets	3,716,598	3,770,117
Investments and other assets		
Deferred tax assets	2,037,508	2,380,479
Other	333,147	306,985
Total investments and other assets	2,370,656	2,687,465
Total non-current assets	6,141,556	6,509,431
Total assets	12,671,286	12,782,260

	(Thousands of yen)	
	As of January 31, 2020	As of April 30, 2020
Liabilities		
Current liabilities		
Income taxes payable	493,258	367,974
Provision for bonuses	128,896	192,199
Provision for loss on guarantees	114,690	114,690
Advances received	4,425,775	4,815,458
Other	892,965	1,221,222
Total current liabilities	6,055,587	6,711,545
Non-current liabilities		
Other	5,532	4,954
Total non-current liabilities	5,532	4,954
Total liabilities	6,061,119	6,716,500
Net assets		
Shareholders' equity		
Share capital	1,561,280	1,561,280
Capital surplus	1,561,280	1,561,280
Retained earnings	4,534,669	4,178,453
Treasury shares	(1,035,242)	(1,199,339)
Total shareholders' equity	6,621,988	6,101,675
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(14,089)	(38,183)
Total accumulated other comprehensive income	(14,089)	(38,183)
Share acquisition rights	2,268	2,268
Total net assets	6,610,167	6,065,759
Total liabilities and net assets	12,671,286	12,782,260

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)
	Three months ended
	April 30, 2020
Net sales	2,502,605
Cost of sales	1,322,111
Gross profit	1,180,494
Selling, general and administrative expenses	1,256,857
Operating loss	(76,363)
Non-operating income	
Interest income	19
Gain on bad debts recovered	4,283
Subsidy income	3,257
Other	1,800
Total non-operating income	9,362
Non-operating expenses	
Commission expenses	788
Total non-operating expenses	788
Ordinary loss	(67,790)
Loss before income taxes	(67,790)
Income taxes - current	345,737
Income taxes - deferred	(342,971)
Total income taxes	2,766
Loss	(70,556)
Loss attributable to owners of parent	(70,556)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended April 30, 2020
Loss	(70,556)
Other comprehensive income	
Valuation difference on available-for-sale securities	(24,093)
Total other comprehensive income	(24,093)
Comprehensive income	(94,650)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(94,650)