

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended October 31, 2020 (Based on Japanese GAAP)

December 8, 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: December 8, 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 nine months ended October 31, 2020 (from February 1, 2020 to October 31, 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	%
Nine months ended October 31, 2020	7,609	8.3	819	(31.6)	862	(29.9)	562	(28.2)
Nine months ended October 31, 2019	7,023	—	1,198	—	1,230	—	782	—

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended October 31, 2020	55.56	52.32
Nine months ended October 31, 2019	76.35	71.56

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2020	13,507	6,754	50.0
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	—	0.00	—		
Year ending January 31, 2021 (Forecast)				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
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 nine months ended October 31, 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 October 31, 2020	11,082,700 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 October 31, 2020	947,446 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)

Nine months ended October 31, 2020	10,119,430 shares	Nine months ended October 31, 2019	10,251,698 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of January 31, 2020	As of October 31, 2020
Assets		
Current assets		
Cash and deposits	2,824,905	3,207,787
Accounts receivable - trade	1,293,073	1,370,530
Right to reimbursement	3,117,737	3,712,289
Other	1,120,824	1,006,836
Allowance for doubtful accounts	(1,826,810)	(2,227,419)
Total current assets	6,529,729	7,070,023
Non-current assets		
Property, plant and equipment	54,302	59,056
Intangible assets		
Goodwill	3,579,313	3,382,887
Other	137,284	339,054
Total intangible assets	3,716,598	3,721,942
Investments and other assets		
Deferred tax assets	2,037,508	2,366,586
Other	333,147	289,835
Total investments and other assets	2,370,656	2,656,422
Total non-current assets	6,141,556	6,437,420
Total assets	12,671,286	13,507,444
Liabilities		
Current liabilities		
Income taxes payable	493,258	345,652
Provision for bonuses	128,896	189,907
Provision for loss on guarantees	114,690	123,147
Advances received	4,425,775	4,940,386
Other	892,965	1,150,058
Total current liabilities	6,055,587	6,749,151
Non-current liabilities		
Other	5,532	4,192
Total non-current liabilities	5,532	4,192
Total liabilities	6,061,119	6,753,344
Net assets		
Shareholders' equity		
Share capital	1,561,280	1,567,053
Capital surplus	1,561,280	1,567,053
Retained earnings	4,534,669	4,808,593
Treasury shares	(1,035,242)	(1,150,415)
Total shareholders' equity	6,621,988	6,792,285
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(14,089)	(40,865)
Total accumulated other comprehensive income	(14,089)	(40,865)
Share acquisition rights	2,268	2,679
Total net assets	6,610,167	6,754,100
Total liabilities and net assets	12,671,286	13,507,444

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2019	Nine months ended October 31, 2020
Net sales	7,023,909	7,609,880
Cost of sales	2,381,720	2,965,316
Gross profit	4,642,189	4,644,563
Selling, general and administrative expenses	3,443,739	3,825,049
Operating profit	1,198,449	819,514
Non-operating income		
Interest income	72	38
Dividend income	339	402
Gain on bad debts recovered	29,054	33,329
Other	3,120	11,099
Total non-operating income	32,586	44,870
Non-operating expenses		
Commission expenses	809	2,049
Total non-operating expenses	809	2,049
Ordinary profit	1,230,226	862,336
Extraordinary income		
Gain on sales of investment securities	—	50,040
Other	—	243
Total extraordinary income	—	50,283
Profit before income taxes	1,230,226	912,620
Income taxes - current	662,477	679,413
Income taxes - deferred	(215,004)	(329,077)
Total income taxes	447,472	350,335
Profit	782,754	562,284
Profit attributable to owners of parent	782,754	562,284

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2019	Nine months ended October 31, 2020
Profit	782,754	562,284
Other comprehensive income		
Valuation difference on available-for-sale securities	(16,357)	(26,775)
Total other comprehensive income	(16,357)	(26,775)
Comprehensive income	766,396	535,508
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	766,396	535,508