



## Summary of Consolidated Financial Results for the 1st Three Months Ended April 30, 2024 of the Fiscal Year ending January 2025 (Based on Japanese GAAP)

June 14, 2024

Company Name: Casa Inc.  
 Listed Stock Exchange: Tokyo Stock Exchange  
 Stock code: 7196 URL <https://www.casa-inc.co.jp/>  
 Representative: (title) Representative Director & President (name) Seigo Miyaji  
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 Scheduled date to file Quarterly Securities Report: June 14, 2024  
 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 quarterly financial results for the three months ended April 30, 2024 (from February 1, 2024, to April 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate change rate compared to the same quarter period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Quarterly net income attributable to shareholders of parent company	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
1st quarter of the FY ending January 2025	2,995	9.9	△391	-	△333	-	△236	-
1st quarter of the FY ending January 2024	2,724	6.6	△144	-	△122	-	△107	-

(note) Comprehensive income: 1st quarter of the FY ending January 2025 △218 JPY million (- %) 1st quarter of the FY ended January 2024 △123 JPY million (- %)

	Quarterly net income per share	Quarterly net income per share after adjusting for dilution
	JPY	JPY
1st quarter of the FY ending January 2025	△23.50	-
1st quarter of the FY ending January 2024	△10.79	-

(Note) Quarterly net income per share after adjustment for diluted shares is not stated as it is a quarterly net loss per share, although there are diluted shares.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	JPY million	JPY million	%
1st quarter of the FY ending January 2025	15,092	6,714	44.5
FY ended January 2024	14,776	7,235	48.9

(reference) Equity capital 1st quarter of the FY ending January 2025 6,712JPY million FY ended January 2024 7,232JPY million

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	JPY	JPY	JPY	JPY	JPY
FY ended January 2024	-	0.00	-	30.00	30.00
FY ending January 2025	-	-	-	-	-
FY ending January 2025 (forecast)	-	0.00	-	30.00	30.00

(note) Revisions to the plan of dividend distribution announced most recently: No

### 3. Forecast of consolidated financial results for the fiscal year ending January 31, 2025 (from February 1, 2024, to January 31, 2025)

(Percentages indicate year-on-year changes for full fiscal year and changes from the same quarter of the previous fiscal year for quarterly figures.)

	Net Sales		Operating Profit		Ordinary Profit		Net Profit attributable to Shareholders of the parent company		Net Profit per Share
	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY
2nd quarter (cumulative)	5,947	7.8	123	43.3	230	69.3	112	289.9	11.14
Full fiscal year	12,081	7.6	759	△3.5	935	△3.2	552	△8.7	54.95

(note) Revisions to the outlook of consolidated operating results announced most recently: No

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**\*Notes**

(1) Changes in significant subsidiaries during the three months ended April 30, 2024 (Changes in specified subsidiaries resulting in changes in the scope of consolidation): No

New – companies (name of companies) - Exclusion – companies (name of companies)

(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

- ① Changes in accounting policies due to revisions to accounting standards and other regulations: No
- ② Changes in accounting policies due to other than above ①: No
- ③ Changes in accounting estimates: No
- ④ Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

- ① Total number of issued shares at the end of the fiscal year (including treasury shares)
- ② Number of treasury shares at the end of the period
- ③ Average number of shares during the period of fiscal year (quarterly cumulative total from the beginning of the fiscal year)

1 <sup>st</sup> quarter of FY ending January 2025	11,350,500 shares	FY ended January 2024	11,350,500 shares
1 <sup>st</sup> quarter of FY ending January 2025	1,294,824 shares	FY ended January 2024	1,294,824 shares
1 <sup>st</sup> quarter of FY ending January 2025	10,055,676 shares	1 <sup>st</sup> quarter of FY ended January 3034	10,005,354 shares

\* Quarterly financial statements are not subject to review by certified public accountants or audit firms.

\* Explanation regarding the appropriate use of earnings forecasts, other special notes

The forward-looking statement in this document is based on the information available to Casa Inc. as of the time hereof and assumptions which it believes reasonable and does not constitute a promise of achievement by our company. Accordingly, actual results may differ materially from those described in such forward-looking statements.

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## 1. Qualitative information on quarterly consolidated financial statements

### (1) Explanation of operating results

During the first quarter of the consolidated cumulative period for the fiscal year ending January 2025, the Japanese economy continued to recover at a moderate pace, due in part to the soaring Nikkei Stock Average and various government measures to secure employment and improve wages. However, the outlook remains uncertain as there are risks that may put downward pressure on the domestic economy, such as price increases due to exchange rate fluctuations, continued depreciation of Japanese Yen currency, and monetary tightening.

In the rental market of real estate which is related to the business of our group, the number of new rental housing construction starts from February 2024 to April 2024 increased by +2.7% compared to the same period of the last year.

Under such circumstances, our group has aimed to expand sales by providing services in the real estate rental market based on the philosophy of “a society where everyone can live with peace of mind.” Casa helps real estate management companies improve their business efficiency by providing services such as rent guarantee, lonely death insurance, home contents insurance, and tenant management apps. COMPASS has been promoting the provision of tenant support services using IT technology to self-managed property owners, and the cumulative number of owners using this service has reached 8,868 (an increase of 36.7% compared to the same period of the previous fiscal year). GoldKey is engaged in developing tenant management apps and supports system development for Casa and COMPASS. Additionally, through our tenant management app, we are developing a business that solves operational efficiency issues for real estate management companies and self-managing property owners, with the aim of increasing profits. Through these services, we aim to improve the operational efficiency of real estate management companies and self-managing property owners and increase their profits.

In the first quarter of the consolidated cumulative period of the fiscal year ending January 2025, the number of new contracts increased to 43,581 (5.5% increase compared to the same period of the previous fiscal year) due to expanding the use of existing agents, acquiring new sales agents, increasing sales staffs and expanding the sales area carried out in the previous fiscal year, etc.

Of the new contracts, the warranty services for residential properties totaled to 41,082 (4.9% increase compared to the same period of the previous fiscal year), and the warranty services for commercial properties increased to 2,499 (16.6% increase compared to the same period of the previous fiscal year), both of which are expanding. The expansion of business of warranty services has been effective by encouraging existing agents to use warranty service and collaborating with property brokerage companies that specialize in commercial properties.

In 2023, we started selling the tenant management app “Room Connect” jointly developed with GoldKey. The app aims to ease the burden of property management tasks; however some agents are conservative towards digitalization, which has led to a negative reaction to its implementation. Therefore, we conducted test marketing and found that there was a need for urgent local response work. We will strengthen sales to sales agents by changing our proposal to one aimed at reducing the burden of on-site support. On the other hand, for self-managing property owners, in addition to app services, we have provided practical services for tenants as a package, which resulted in progressing the adoption of this service by such property owners. Consequently, we were able to streamline management operations, improve service quality, and increase convenience for property owners.

In the future, we will further expand our solution proposals and services related to rental management operations for real estate management companies and self-managed property owners, and aim to expand the adoption by them.

In terms of cost of sales, referral fees amounted to JPY 424,471,000 (increased by 13.2% from the same period of the previous fiscal year) due to an increase in new contracts and a switch to financial screening products aimed at reducing delinquency rates. The provision for allowance for doubtful accounts was 1,188,733,000 yen (an increase of 36.1% compared to the same period of the previous fiscal year) due to the temporary suspension of payment guidance services due to a temporary malfunction caused by the operation of the new core system. Our current payment guidance operations have returned to normal, and we are focusing on reducing advance payments by expanding automation through autocalled and SMS. Litigation and disposition costs amounted to JPY 266,169,000 (down 2.8% from the same period of the previous fiscal year) due to efforts to quickly resolve long-term cases that have been ongoing since the previous consolidated fiscal year.

Selling, general and administrative expenses were JPY 1,493,321,000 (increased by 11.3% compared to the same period of the previous fiscal year) due the taxes and public dues associated with the operation of the new core system, the occurrence of depreciation expenses, etc. and  
an increase in human resources recruitment costs caused by active recruitment of sales and receivables management personnel.

Our company focuses on supporting single-parent families with the aim of “protecting the future of children” through child support guarantees. In addition to holding seminars and networking events to provide a place for participants to interact and share information, we will also start a job placement business and contribute to supporting the economic independence of single-parent families. Additionally, we are currently applying to become a residence support corporation through the Ministry of Land, Infrastructure, Transport and Tourism. Through these initiatives, we are contributing to the realization of a society where single-

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parent families can live more securely.

As a result, sales for the first quarter of the consolidated cumulative period of the fiscal year ending January 2025 were JPY 2,995,339,000 (9.9% increase compared to the same period of the previous fiscal year), operating loss was JPY 391,724,000 (compared to operating loss of JPY 144,183,000 in the same period of the previous fiscal year), and ordinary loss was JPY 333,951,000 (ordinary loss of JPY 122,649,000 for the same period of the previous fiscal year), and quarterly net loss attributable to shareholders of parent company was JPY 236,339,000 (compared to ordinary loss of JPY 107,998,000 for same period of the previous fiscal year).

In addition, goodwill amortization of JPY 75,798,000 has been recorded in selling, general and administrative expenses.

※The only reportable segment of our group is the rental debt guarantee business, and other segments are not significant, thus they are not listed separately.

## (2) Explanation of financial position

### (Assets)

Total assets at the end of the first quarter consolidated accounting period of the fiscal year ending January 2025 increased by JPY 315,724,000 compared to the end of the previous consolidated fiscal year to JPY 15,092,611,000.

Current assets increased by JPY 92,493,000 compared to the end of the previous fiscal year to JPY 7,737,524,000. This was mainly due to a decrease of JPY 759,624,000 in cash and deposits and an increase of JPY 558,126,000 in allowance for doubtful accounts, while an increase of JPY 372,754,000 in accounts receivable and contract assets, JPY 613,025,000 in accounts receivable-other, and JPY 398,093,000 in reimbursement claim.

Non-current assets increased by JPY 223,230,000 compared to the end of the previous fiscal year to JPY 7,355,086,000. This was mainly due to an increase of JPY 398,995,000 in deferred tax assets.

### (Liabilities)

Total liabilities at the end of the first quarter consolidated accounting period of the fiscal year ending January 2025 increased by JPY 836,183,000 compared to the end of the previous consolidated fiscal year to JPY 8,377,861,000.

This was mainly due to an increase of JPY 526,488,000 in advances received.

### (Net Assets)

Total net assets at the end of the first quarter consolidated accounting period of the fiscal year ending January 2025 decreased by JPY 520,459,000 compared to the end of the previous consolidated fiscal year to JPY 6,714,750,000.

This was mainly due to a decrease in retained earnings by JPY 236,339,000 for recording a quarterly net loss attributable to shareholders of the parent company and by JPY 301,670,000 for paying dividends from retained earnings.

## (3) Explanation of consolidated earnings forecasts and other forward-looking information

There are no changes to the consolidated performance forecast for the fiscal year ending January 2025, which was announced on March 6, 2024.

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## 2. Quarterly consolidated financial statements and keynotes

### (1) Quarterly consolidated balance sheet

(Unit: JPY thousand)

	Previous fiscal year (ended January 31, 2024)	the first quarter consolidated accounting period (ended on April 30, 2024) of the fiscal year ending January 2025
<b>Assets</b>		
Current assets		
Cash and deposits	3,705,890	2,946,266
Accounts receivable and contract assets	1,520,958	1,893,712
Reimbursement claim	4,528,423	4,926,516
Account receivable - other	863,457	1,476,482
Other	194,750	221,121
Allowance for doubtful accounts	△3,168,449	△3,726,575
Total current assets	7,645,031	7,737,524
Non-current assets		
Tangible non-current assets	39,652	36,880
Intangible non-current assets		
Goodwill	2,917,123	2,841,324
Other	1,173,216	1,052,123
Total non-current assets	4,090,339	3,893,448
Investments and other assets		
Deferred tax assets	2,618,285	3,017,281
Other	385,131	409,029
Allowance for doubtful accounts	△1,552	△1,552
Total investments and other assets	3,001,864	3,424,758
Total non-current assets	7,131,855	7,355,086
Total assets	14,776,887	15,092,611
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	55,612	54,587
Current portion of long-term borrowings	21,140	20,646
Income tax payable	412,790	329,502
Advances received	5,166,808	5,693,297
Provision for bonuses	98,250	99,110
Provision for loss on guarantees	153,141	155,032
Other	1,462,297	1,858,911
Total current liabilities	7,370,039	8,211,087
Non-current liabilities		
Long-term borrowings	171,368	166,504
Other	270	270
Total non-current liabilities	171,638	166,774
Total liabilities	7,541,677	8,377,861
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,602,887	1,602,887
Capital surplus	1,602,887	1,602,887
Retained earnings	5,455,994	4,917,984
Treasury shares	△1,439,275	△1,439,275
Total shareholders' equity	7,222,494	6,684,484
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,413	27,963
Total accumulated other comprehensive income	10,413	27,963
Share acquisition rights	2,302	2,302
Total net assets	7,235,209	6,714,750
Total liabilities and net assets	14,776,887	15,092,611

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(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income  
 (Quarterly consolidated income statement)  
 (1st quarter consolidated cumulative period)

(Unit: JPY thousand)

	1 <sup>st</sup> quarter consolidated cumulative period of the previous fiscal year (from February 1, 2023 to April 30, 2023)	1 <sup>st</sup> quarter consolidated cumulative period of the fiscal year ending January 2025 (from February 1, 2024 to April 30, 2024)
Sales	2,724,644	2,995,339
Cost of sales	1,526,752	1,893,742
Gross profit	1,197,892	1,101,596
Selling, general and administrative expenses	1,342,075	1,493,321
Operating loss (△)	△144,183	△391,724
Non-operating income		
Interest income	22	12
Gains on bad debts recovered	16,243	58,297
Subsidy income	2,432	—
Other	3,534	779
Total non-operating income	22,233	59,089
Non-operating expenses		
Interest expenses	89	605
Commission expenses	609	711
Total non-operating expenses	698	1,317
Ordinary loss (△)	△122,649	△333,951
Special profit		
Gain on sale of investment securities	—	2,100
Total special profit	—	2,100
Special loss		
Loss on retirement of fixed assets	—	2,666
Total special loss	—	2,666
Quarterly net loss before taxes and other adjustments (△)	△122,649	△334,518
Corporate tax, resident tax and business tax	392,029	308,562
Corporate tax adjustment amount	△406,680	△406,741
Total corporate taxes, etc.	△14,650	△98,178
Quarterly net loss (△)	△107,998	△236,339
Quarterly net loss attributable to shareholders of parent company (△)	△107,998	△236,339

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(Quarterly consolidated statement of comprehensive income)  
(1st quarter consolidated cumulative period)

(Unit: JPY thousand)

	1 <sup>st</sup> quarter consolidated cumulative period of the previous fiscal year (from February 1, 2023 to April 30, 2023)	1 <sup>st</sup> quarter consolidated cumulative period of the fiscal year ending January 2025 (from February 1, 2024 to April 30, 2024)
Quarterly net loss (△)	△107,998	△236,339
Other comprehensive income		
Valuation difference on other securities	△15,486	17,550
Total other comprehensive income	△15,486	17,550
Quarterly comprehensive income	△123,484	△218,789
(breakdown)		
Quarterly comprehensive income attributable to shareholders of parent company	△123,484	△218,789



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**(3) Notes regarding quarterly consolidated financial statements**

(Notes on going concern assumption)

Not applicable

(Notes when there is a significant change in the amount of shareholders' equity)

Not applicable