

Casa Inc.

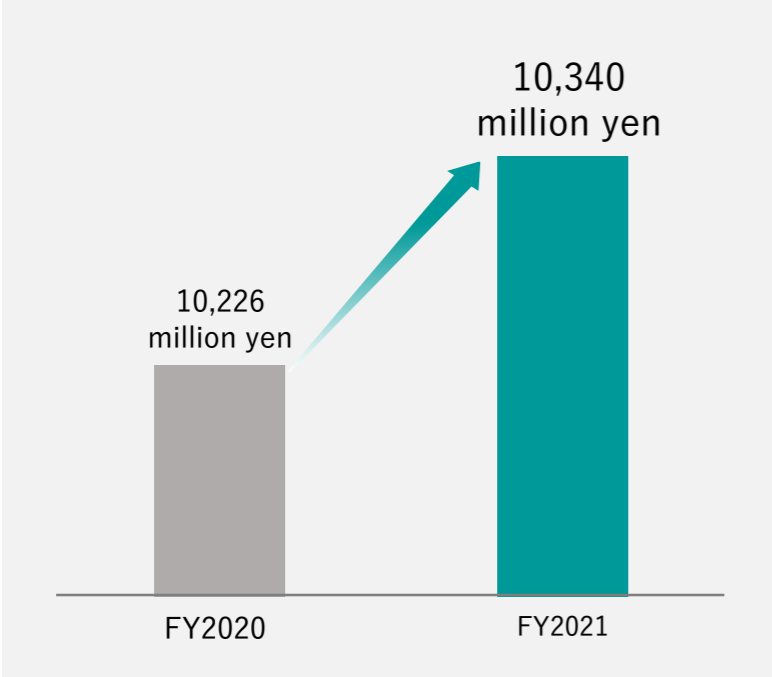
Financial Results Presentation
for the Fiscal Year Ending January 2022

Listed Code : 7196



Net Sales

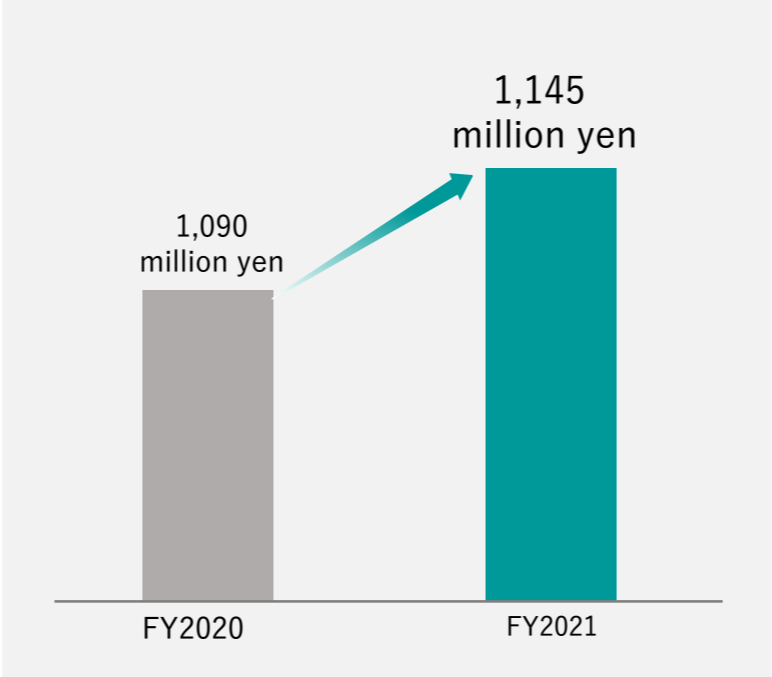
10,340 million yen



Last year
+114 million yen

Ordinary Profit

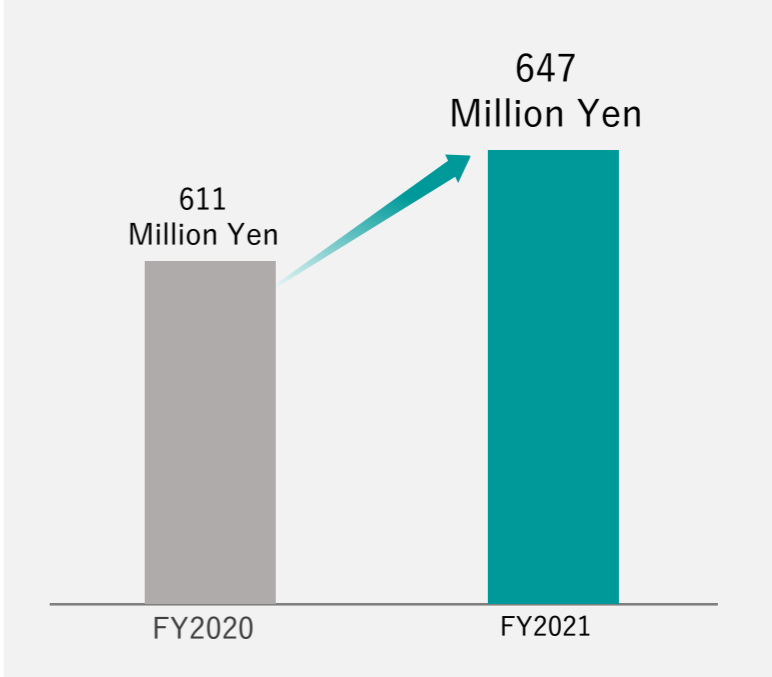
1,145 million yen



Last year
+55 million yen

Profit attributable to owners of parent

647 million yen



Last year
+36 million yen

Consolidated income statement

Unit: One million yen

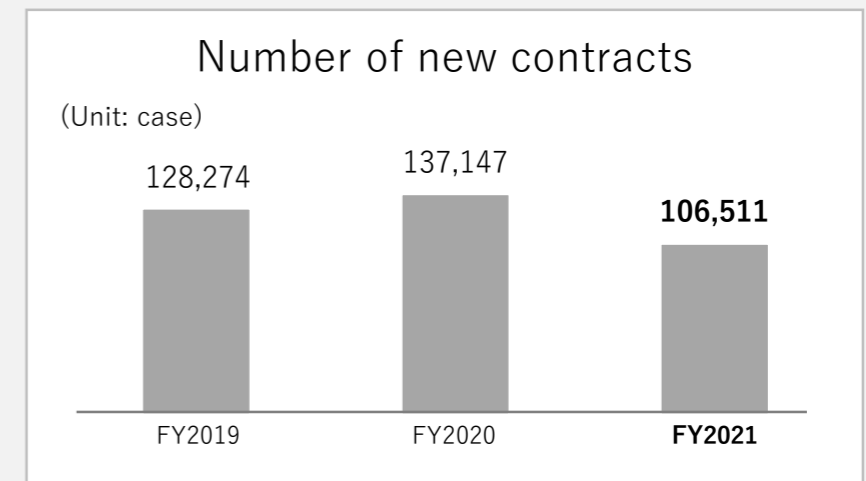
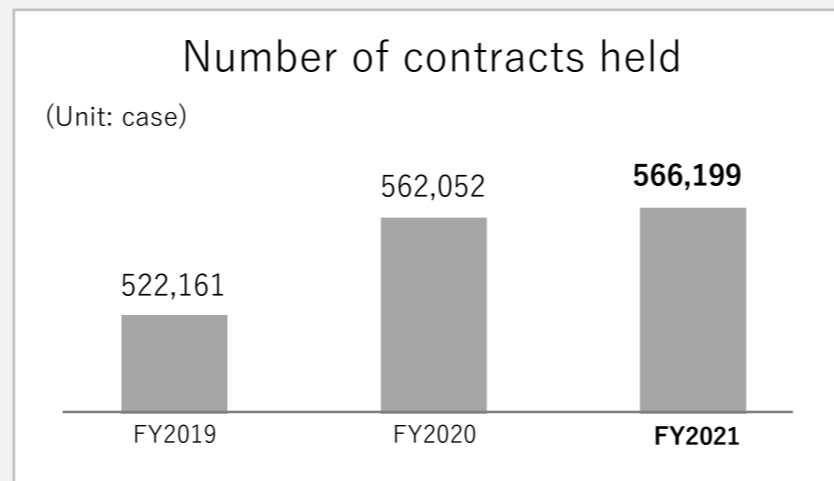
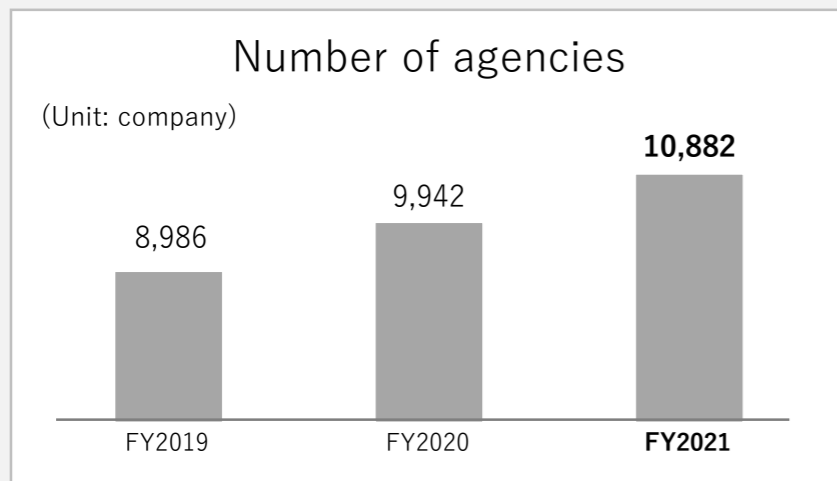
	FY2020	FY2021		
	Amount of money	Amount of money	Last year Increase amount	Year-over-year basis
Net Sales	10,226	10,340	114	101.1%
Operating Profit	1,031	1,037	5	100.5%
Ordinary Profit	1,090	1,145	55	105.1%
Profit attributable to owners of parent	611	647	36	106.0%

Breakdown of sales

Unit: One million yen

	FY2020	FY2021		
	Amount of money	Amount of money	Last year Change amount	Year-over-year basis
Net Sales	10,226	10,340	114	101.1%
Initial guarantee fee	5,537	5,292	△ 245	95.6%
Annual guarantee fee	4,538	4,871	333	107.3%

- **Initial guarantee fee**
Review of transactions in consideration of profitability of each agency
- **Annual guarantee fee**
Increase in the number of holding (average) contracts



By reviewing transactions with poorly profitable agencies
Delinquency rate improved by 0.8pt, average rent increased by 14.2%

Improvement of delinquency rate			
Agency scale	FY2020	FY2021	Improvement rate
Large Medium Scale	10.8%	10.0%	0.8pt
Small Scale	9.6%	9.5%	0.1pt
Average	10.0%	9.9%	0.1pt

Increase in average rent			
Agency scale	FY2020	FY2021	Increase rate
Large Medium Scale	79,386yen	90,696yen	14.2%
Small Scale	81,268yen	82,372yen	1.4%
Average	80,113yen	86,560yen	8.0%

Breakdown of cost of sales / Selling, general and administrative expenses

Unit: One million yen

	FY2020	FY2021		
	Amount of money	Amount of money	Last year Change amount	Year-over-year basis
Cost of sales	4,146	4,333	187	104.5%
Provision of allowance for doubtful accounts	2,444	2,535	90	103.7%
Referral fee	988	863	△ 125	87.3%
Lawsuit / Dispose expense	687	941	253	136.9%
Selling, general and administrative expenses	5,048	4,970	△ 78	98.4%

- **Provision of allowance for doubtful accounts**
Improvement of recovery rate by strengthening receivables management system
- **Referral fee**
Review of agencies in consideration of profitability
- **Lawsuit / disposal expense**
Due to the influence of the COVID-19 in the previous term, the termination of lawsuit was delayed in the current term.

Consolidated balance sheet

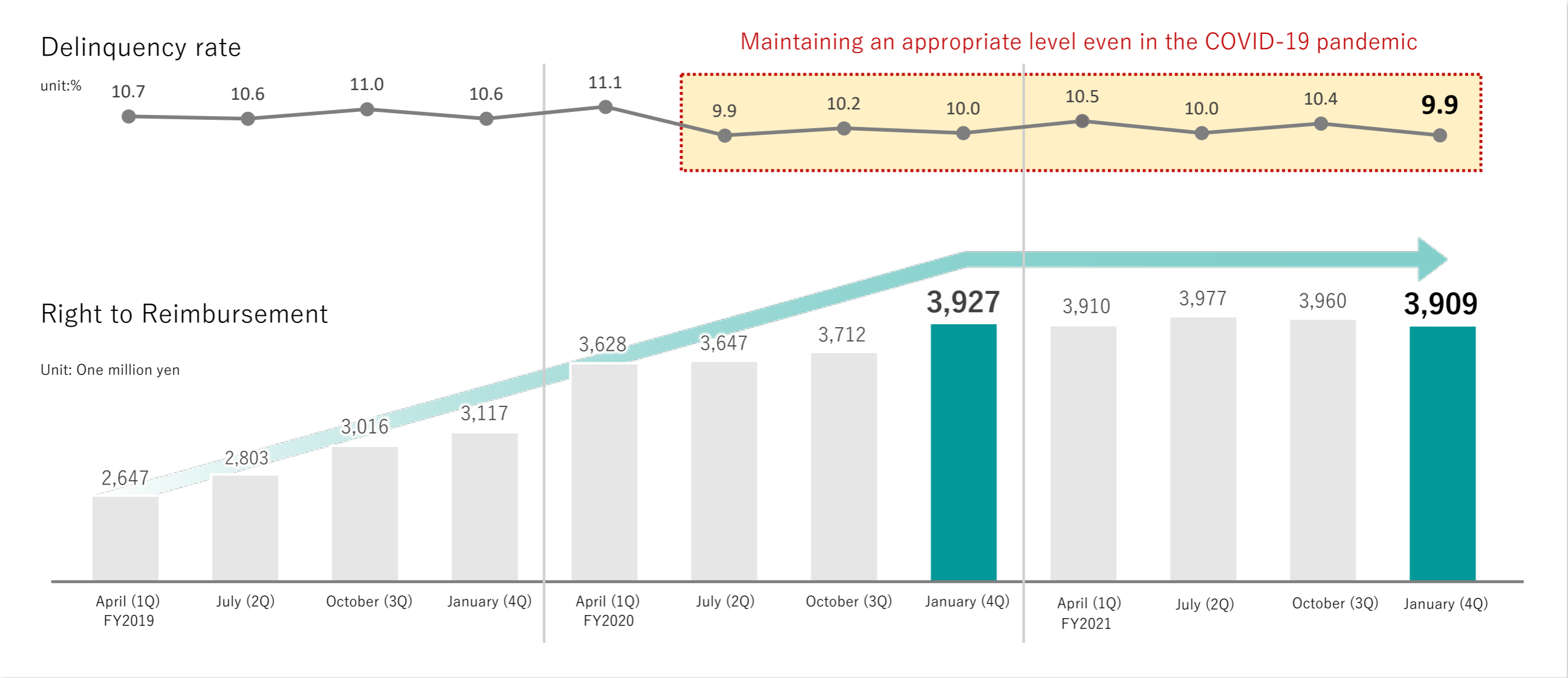
Unit: One million yen

	FY2020	FY2021	Change amount
Current Assets	6,827	5,608	△ 1,218
Right to Reimbursement	3,927	3,909	△ 18
Allowance for doubtful accounts	△ 2,495	△ 2,825	△ 330
Non-current Assets	6,589	7,298	709
Goodwill	3,317	3,179	△ 137
Total assets	13,416	12,906	△ 509

Liabilities	6,605	5,923	△ 681
Advance payment	4,751	4,466	△ 284
Borrowing	—	57	57
Net Assets	6,811	6,983	172

- **Right to Reimbursement**
Compression of right to reimbursement by improving the collection rate
- **Goodwill**
3,055 million yen for rent guarantee service
- **Advance payment**
Guarantee fee for apportionment
Initial guarantee fee:
2,178 million yen
Annual guarantee fee:
2,288 million yen
- **Borrowing**
Borrowing of the acquired subsidiary

Reduce Right to Reimbursement decreased due to strengthening examination system and improved recovery rate



Year-end dividend forecast

- **Year-end dividend: Forecast 30yen / share** (dividend payout ratio **46%**)

Resolution to buy back shares (March 10, 2022)

- **Total number of shares to be acquired: Up to 100million yen**

Acquisition period: March 11, 2022 to April 10, 2022

Purpose: To enhance shareholder returns and improve capital efficiency

Will continue to be implemented appropriately according to free cash flow

FY2022 performance forecast

FY2022 performance forecast

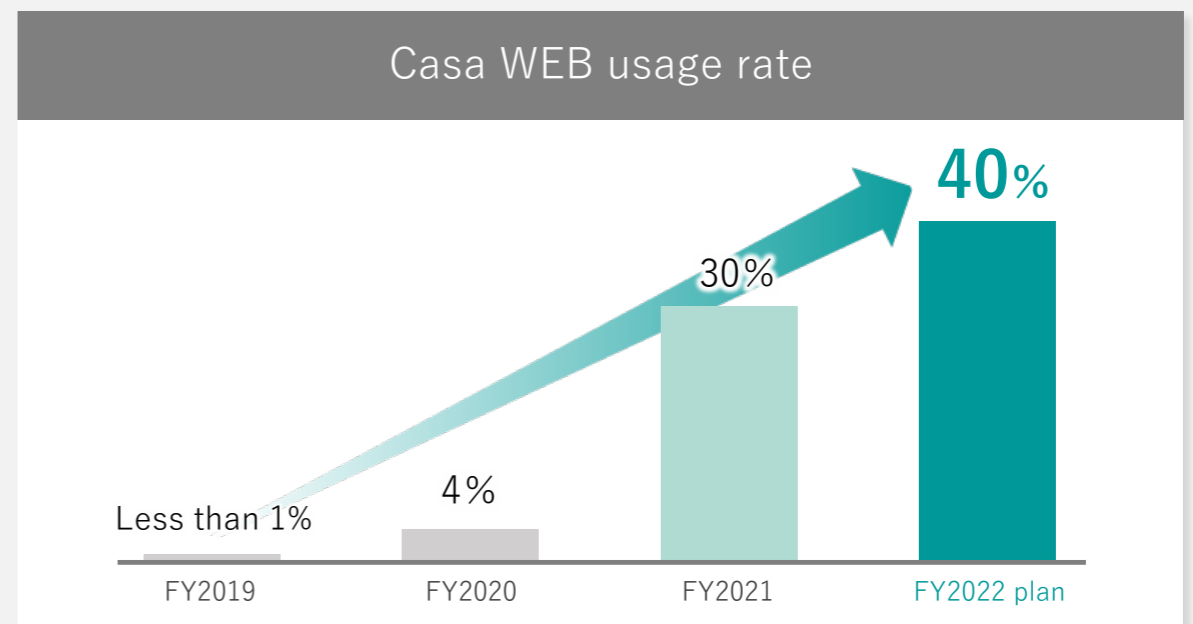
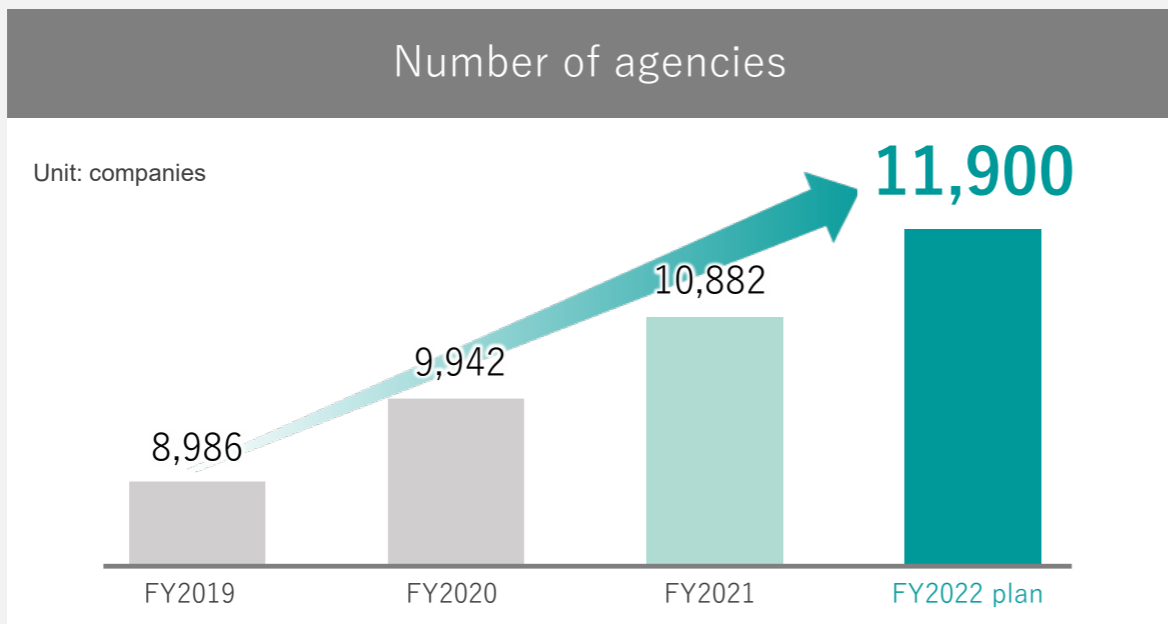
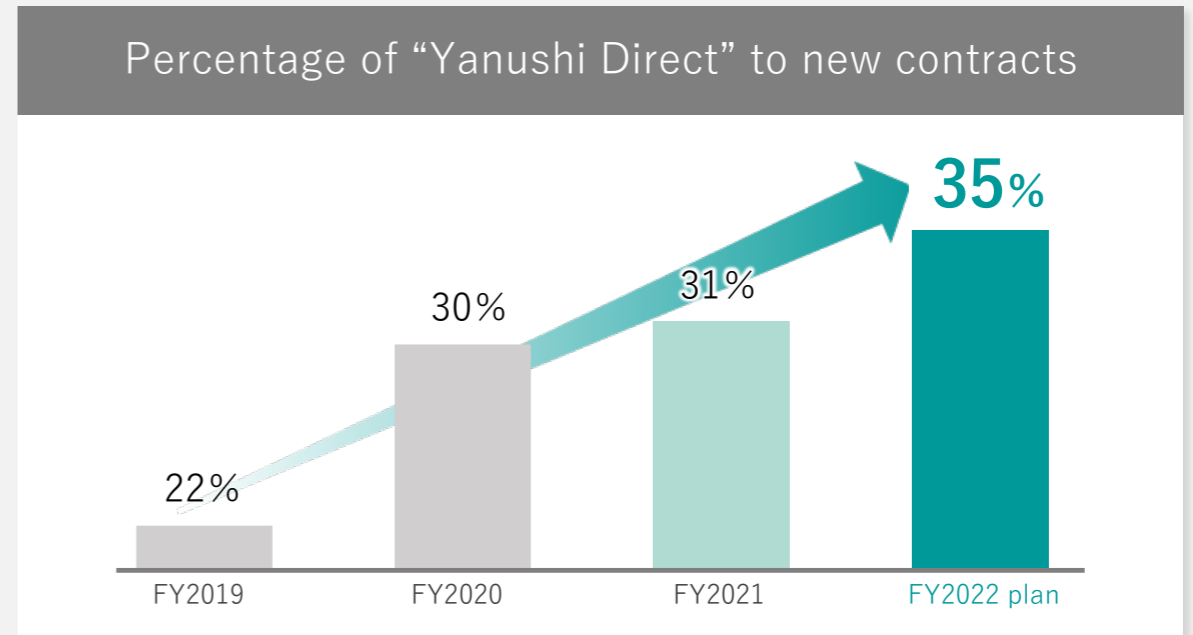
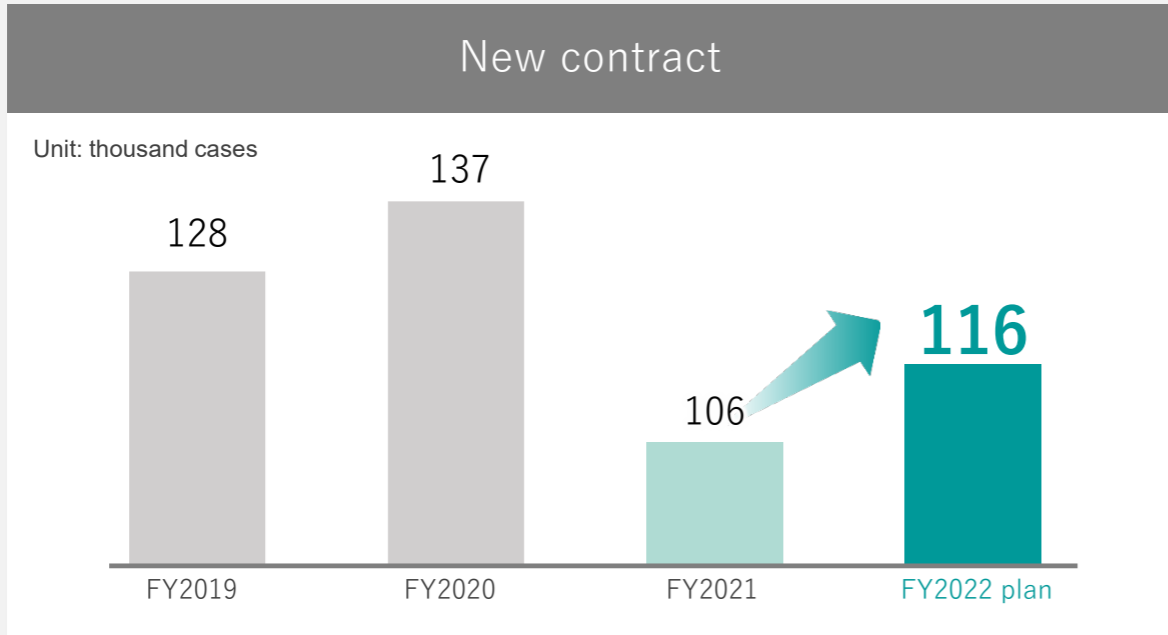
Unit: One million yen

	FY2021	FY2022 performance forecast		
	Amount of money	Amount of money	Last year Change amount	Year-over-year basis
Net Sales	10,340	10,394	53	100.5%
Cost of sales	4,333	4,367	33	100.8%
Selling, general and administrative expenses	4,970	5,289	319	106.4%
Operating Profit	1,037	737	△ 299	71.1%
Ordinary Profit	1,145	805	△ 339	70.3%
Attributable to the shareholders of the parent company profit	647	459	△ 188	70.9%

Breakdown of sales and cost of sales

	FY2021	FY2022 performance forecast		
	Amount of money	Amount of money	Last year Change amount	Year-over-year basis
Net Sales	10,340	10,394	53	100.5%
Initial guarantee fee	5,292	5,270	△ 21	99.6%
Annual guarantee fee	4,871	4,939	67	101.4%
Cost of sales	4,333	4,367	33	100.8%
referral fee	863	1,036	173	120.1%
Lawsuit / Dispose expense	941	861	△ 79	91.5%
Provision of allowance for doubtful accounts	2,535	2,466	△ 68	97.3%
Selling, general and administrative expenses	4,970	5,289	319	106.4%
Operating profit	1,037	737	△ 299	71.1%

- **Initial guarantee fee**
The number of contracts is 109% compared to the previous term. Sales are apportioned over the period by 99.6% compared to the previous year
- **Referral fee**
Increase in the number of contracts
- **Lawsuit / Dispose expense**
Decrease in the number of proceedings
- **Allowance for doubtful accounts**
Reduction of advance payments by improving the collection rate
- **Selling, general and administrative expenses**
Increased staffs and costs associated with new system release



Medium-term management plan

FY2022 ~ FY2024

What you are aiming for

Expanding the market share of the rent guarantee business, we support people's lives and economic activities by making full use of know-how cultivated in the guarantee business, accumulated data and technology

Basic policy

Digitization of business and provision of new value to the rental real estate market

3-year plan

Unit: One million yen

	FY2022 (plan)	FY2024 (plan)	Comparison with FY2022
Net Sales	10,394	12,000	115%
Operating profit	737	1,900	258%
Operating profit margin	7.1%	15.8%	+ 8.7pt

Business expansion

- Management company market expansion, self-managed market development
Number of new contracts 116 thousand in the current fiscal year, **151 thousand** in FY2024
Percentage of “Yanushi Direct” contracts **40%** in FY2024, sales expansion of “Direct S”
- Streamlining of agency operations FY2024 **15,000 companies**
Expansion of CasaWEB functions and Increased utilization rate from the current 30% to **80%**
Cooperation with other companies’ systems
- Expansion of business areas
Establishing a new model for online intermediary services (with rent guarantee)
Child support guarantee, alliances with other industries , M&A
- Hiring IT human resources and training
- Promotion of active participation by women
Contribution to SDGs

Improving profitability

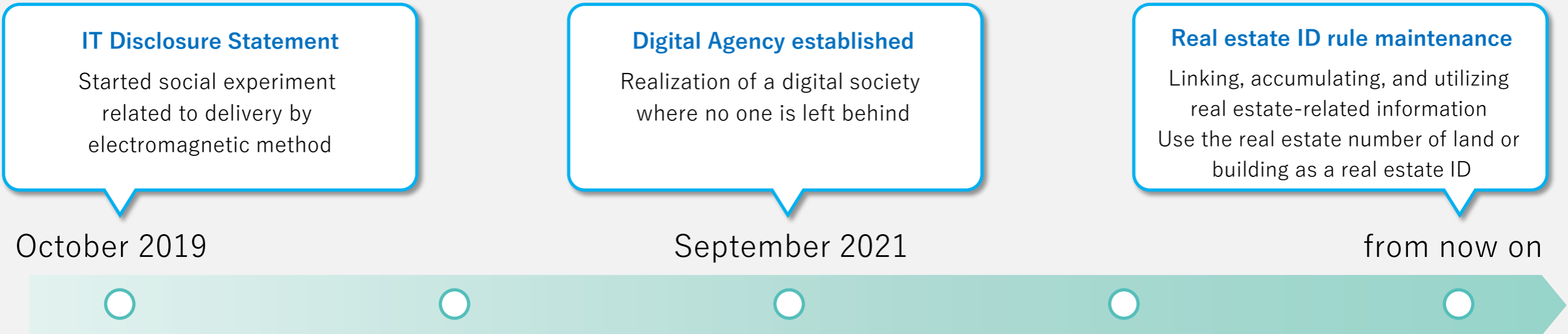
- Digitizing operations
- Utilization of big data
- Utilization of AI
Shortening the examination time, reducing the rate of delinquency, and reducing the risk of uncollected advance payments

Real estate DX

- Renewal of core system
- Digitalizing guarantee business (Guarantee DX)
- Digitization of real estate transactions
- Utilization of big data
- Utilization of AI

External environment

Trends toward DX in the real estate industry



IT Disclosure Statement
Started social experiment related to delivery by electromagnetic method

October 2019

Digital Agency established
Realization of a digital society where no one is left behind

September 2021

Real estate ID rule maintenance
Linking, accumulating, and utilizing real estate-related information
Use the real estate number of land or building as a real estate ID

from now on

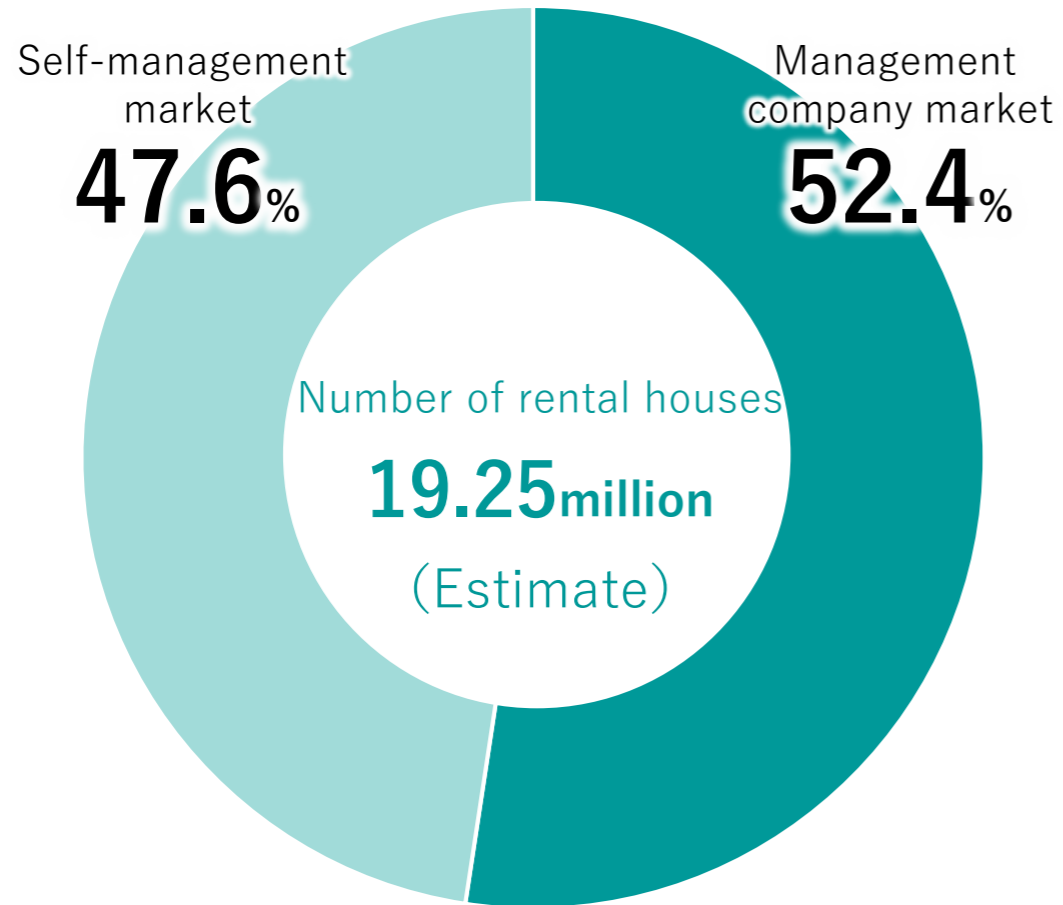
DX Real Estate Promotion Association established
Established for the purpose of improving convenience by fully digitizing real estate transactions (membership)

April 2021

Abolition of stamping at the time of contract to amend the Home Building Business Law
The ban on the electronic delivery of disclosure statement and contracts

May 2022

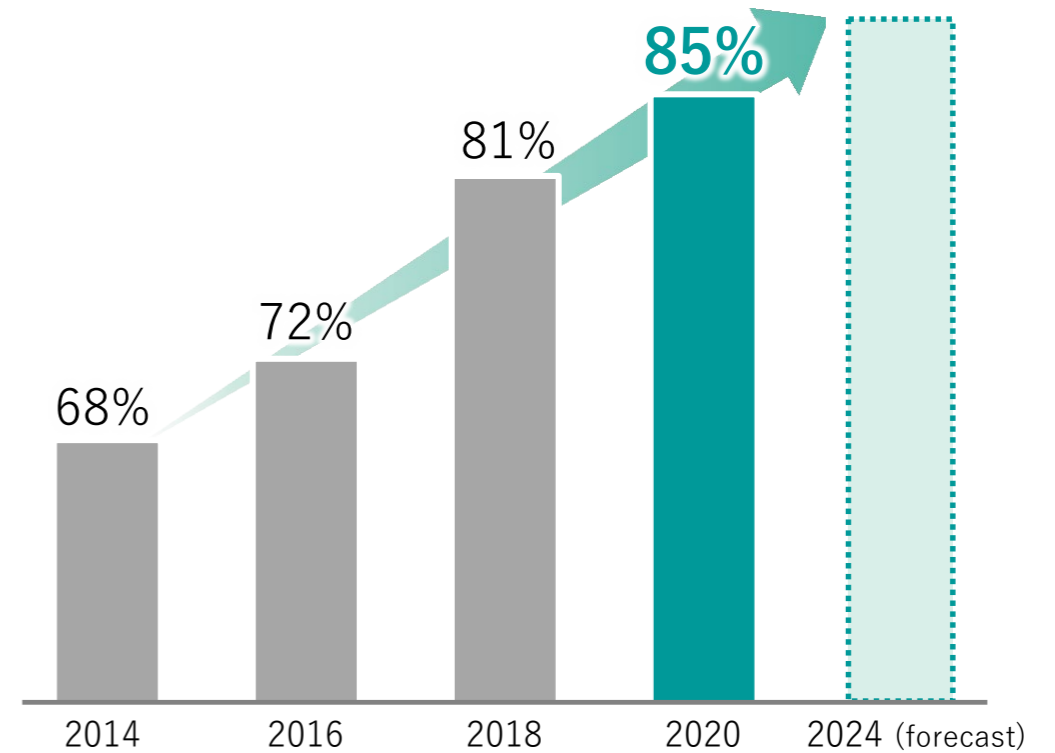
Breakdown of rental housing



Source: November 24, 2021 Excerpt from a rental housing newspaper article

Guarantee company utilization rate of management company market

Increased use of guarantee companies due to Civil Code amendment, Impact of COVID-19 and promotion of real estate DX



Source: Excerpt from the percentage of mandatory participation in the institutional guarantee of the Japan Rental Housing Management Association "Nikkankyo Tankan"

Growth strategies

Digitization of business
and provision of new
value to the rental real
estate market



Guarantee business
digitalization



Utilization of data
Providing new value

1

Expansion of management company market



Promoting profitability and convenience

2

Development of self-managed market



Expansion of services for landlords

3

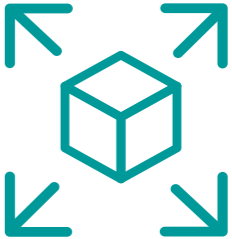
Utilization of data



Building a foundation for the data business

4

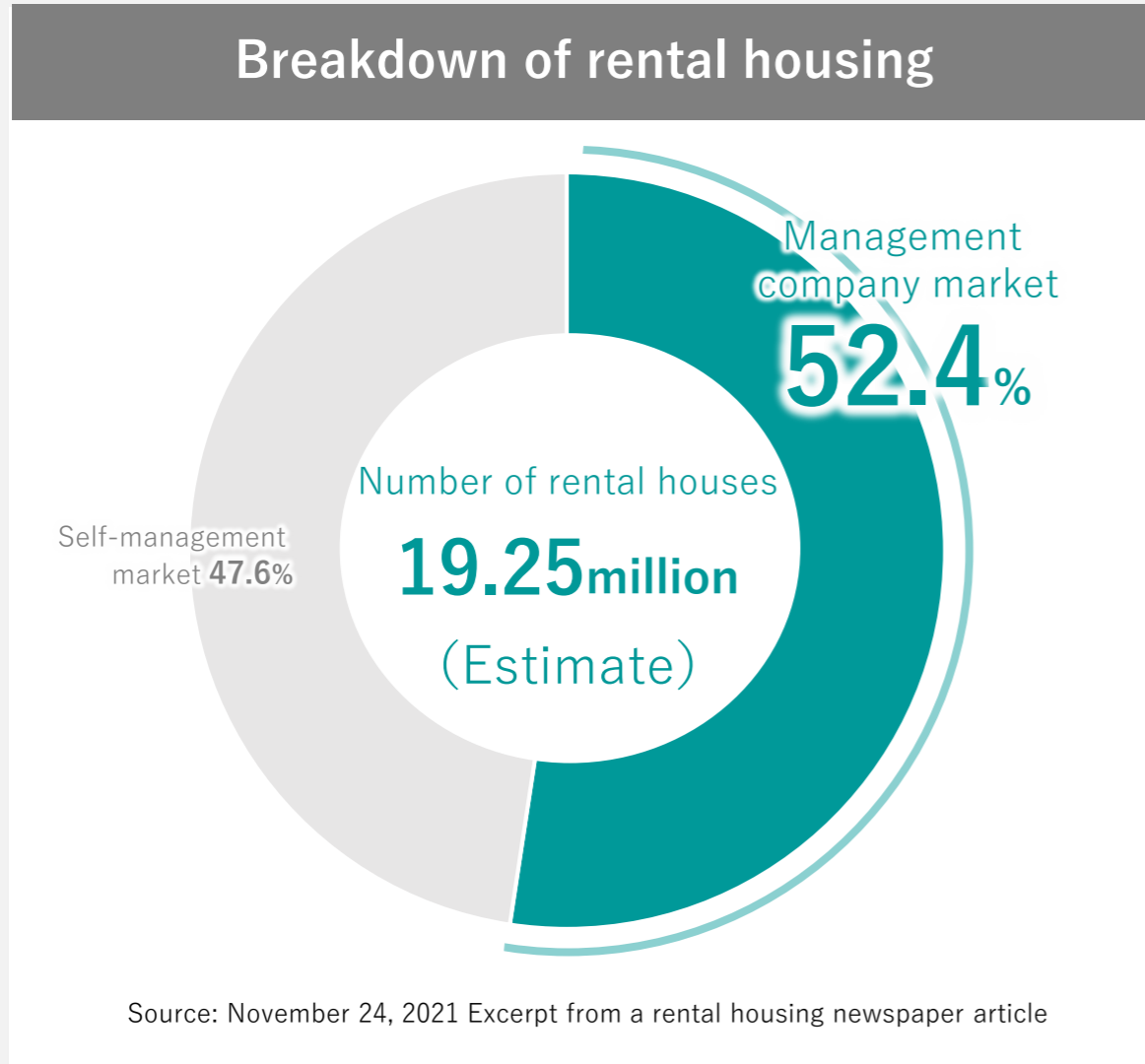
Expansion of business domain



Creating business synergies by utilizing data technology

Efforts to further strengthen growth potential

1 Expansion of management company market



Market conditions

	Number of businesses	Digitalization	Management system
Major	Few	Going forward	In-house development
Small scale	Many	Running late	Simple software Spreadsheet

Promoting convenience and profitability to small management companies behind in digitization

One-stop service from tenant recruitment to contract management



Credit examination using personal credit information



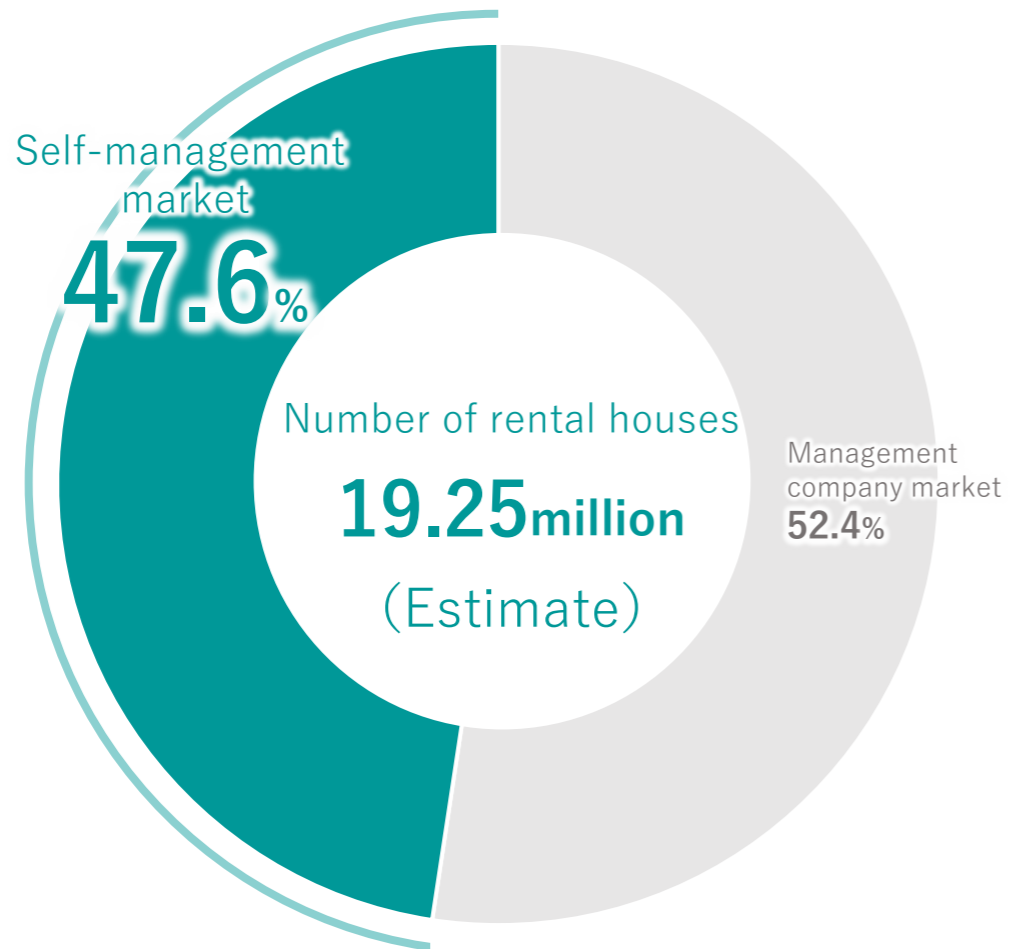
Our benefits

- **Controlling the rate of delinquency**
- **Compression of advance payment**

Agency request

- **Cooperation with their own system**
- **Expansion of guarantee**

Breakdown of rental housing



Source: November 24, 2021 Excerpt from a rental housing newspaper article

Service for self-managed owners
"Yanushi Direct"

Package service for self-managed owner
to support rental management

Rent guarantee service



No risk of accrual
by collecting money



With a full
guarantee
relief

Solitary death insurance



Rent loss
Vacancy period
shortening cost



Restoration·
Accident
response costs

Household insurance



Compensation for
household goods



Compensation for
damages to
landlord /
third party

Resident support



Inquiry
response



Emergency
rush



Traditional method

Personal judgment



Utilization of AI

AI makes decisions using big data



Examination

There are variations in the examination criteria due to the judgment based on experience

- Utilize attribute data
(age, gender, occupation, annual income, etc.)
- Time reduction by automatic examination

**Shortening examination time
and reducing delinquency rate**

Collection

Collection method and priority judgment depend on the experience of the person in charge

- Utilize transaction data
(negotiation history, deposit information, etc.)
- Selection of method based on the judgment of risk and judgment of priority

Uncollected risk reduction



Building a foundation for use in the data business

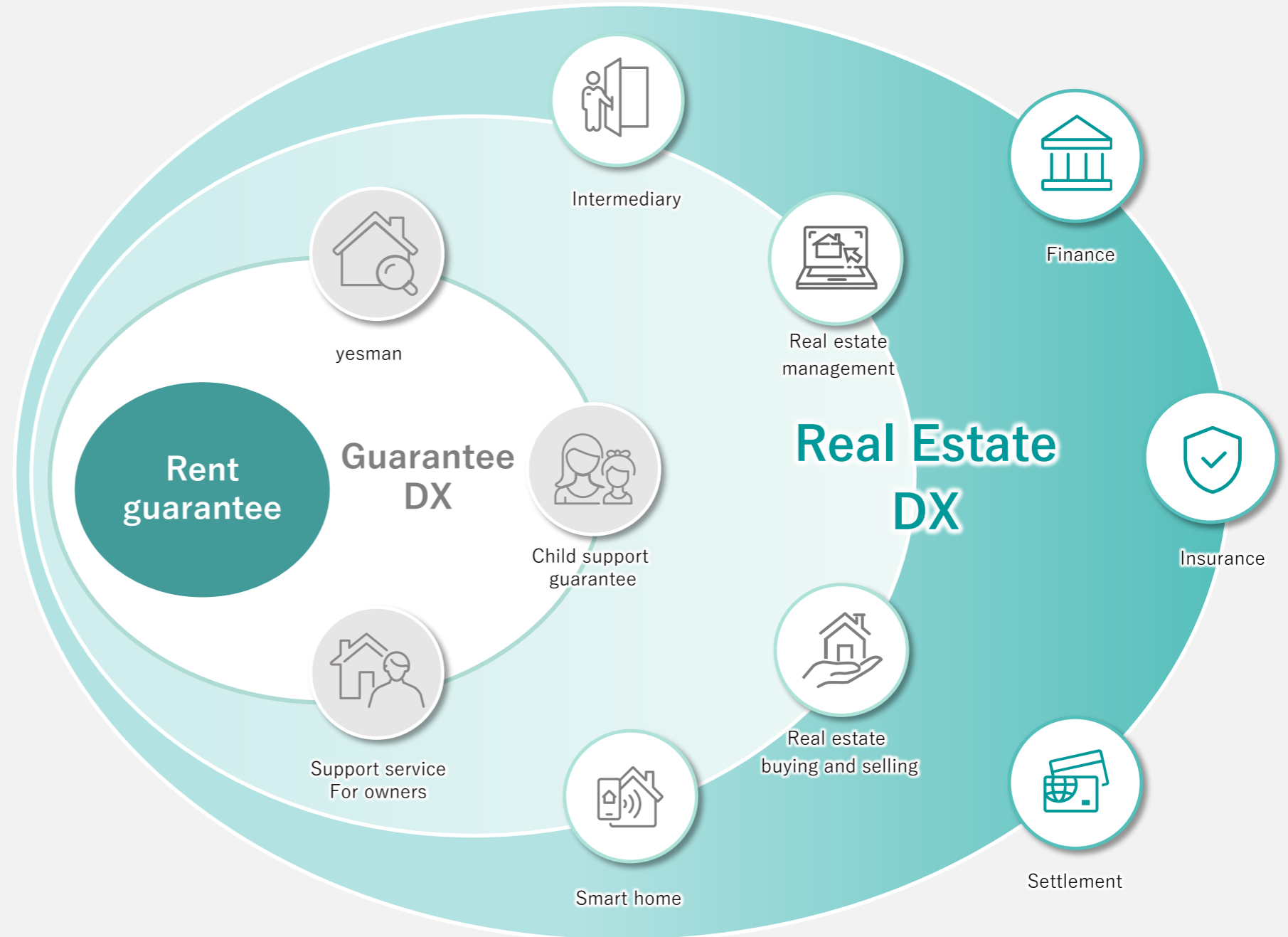
Big Data

×

Technology

↓

**Expansion of
business domain**



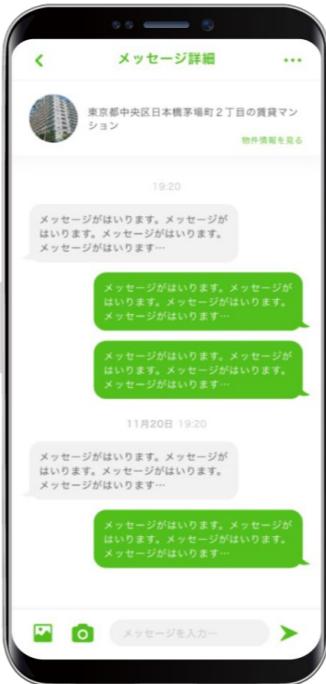
Online intermediary service



Search



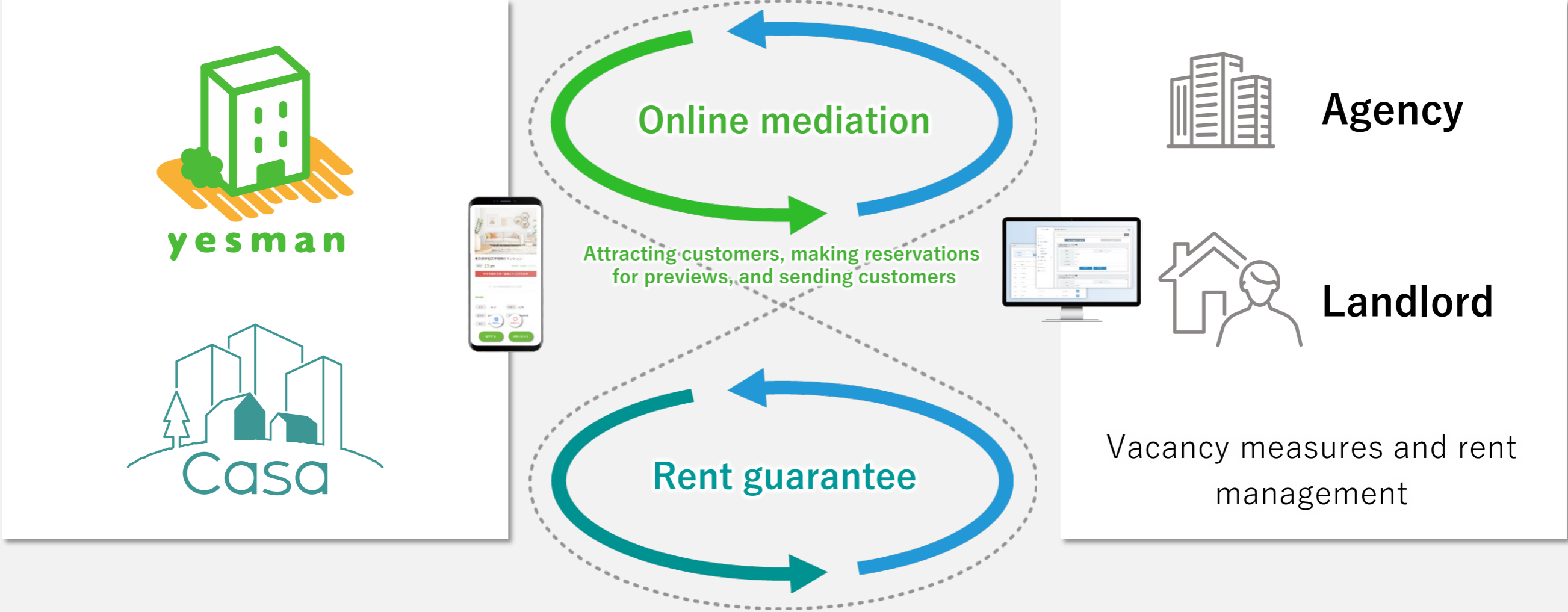
Inquiry



Preview reservation



No need to visit! Easy room search with the app



Fusion of online mediation and rent guarantee

Child and Family Policy Agency

Basic policy

- Poverty alleviation for children, support for single-parent families
- Enhancing consultation and information provision, creating a place for all children
- Policy planning from a child's perspective

Securing child support (administration)

Number of basic municipalities: 109 municipalities

- Subsidies for the cost of creating a notarial act, etc.
- Subsidies for the initial guarantee fee for child support



Casa Efforts

Protecting the future of children

養育費保証 



Information provision

Providing information through media (Mamasuma) and seminars

Online seminars with single mother support associations and law firms
Jointly held. Information exchange meeting with local councilors



Child support guarantee

Guarantee child support in case of delay in payment

New service Children's future with release Collection service
+ for payers Free accident insurance



Looking for room

Joint guarantor-free support for finding a room



Kari flower



Looking for a job

Supporting job search in collaboration with Single Mother Support Association



一般社団法人
日本シングルマザー支援協会®



Human resources

- Securing digital human resources
- Fostering and strengthening human resources
- Promotion of women's advancement



Information

- Renewal of core system
- Build a recovery model
- Reduction of examination time
- Suppression of delinquency rate



DX

- Digitization of real estate transactions
- Business digitization
- Utilization of AI
- Building a data business foundation

SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Online real estate transactions



Business systematization



Promotion of real estate DX

11 SUSTAINABLE CITIES AND COMMUNITIES



Rent guarantee service



Tenant service



Child support guarantee service

Casa will maintain a healthy living environment
for the people and
contribute to the development of lifestyle,
to realize a prosperous society.

“A society where everyone can live with peace of mind”

- 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 material are made by us based on the information available as of March 10, 2022, and reflect any future events or circumstances, and any forward-looking statements. We have not updated or changed the Content of the statement.