

Casa

Financial Results Presentation
for the second Quarter 2023



Listed Code : 7196

Sales and profit targets achieved

Unit: One million yen	FY2021/2Q	FY2022/2Q		Compared to 2Q plan	
	Amount of money	Initial forecast	Amount of money	Change amount	YoY Rate
Net Sales	5,283	5,075	5,101	+25	+0.5%
Operating Profit	532	129	325	+196	+151.5%
Ordinary Profit	586	163	388	+225	+137.4%
Profit attributable to owners of parent	354	65	99	+33	+51.2%

Operating Profit
 Net sales progressed as planned
 Steady collection of receivables reduced cost of sales and increased operating profit

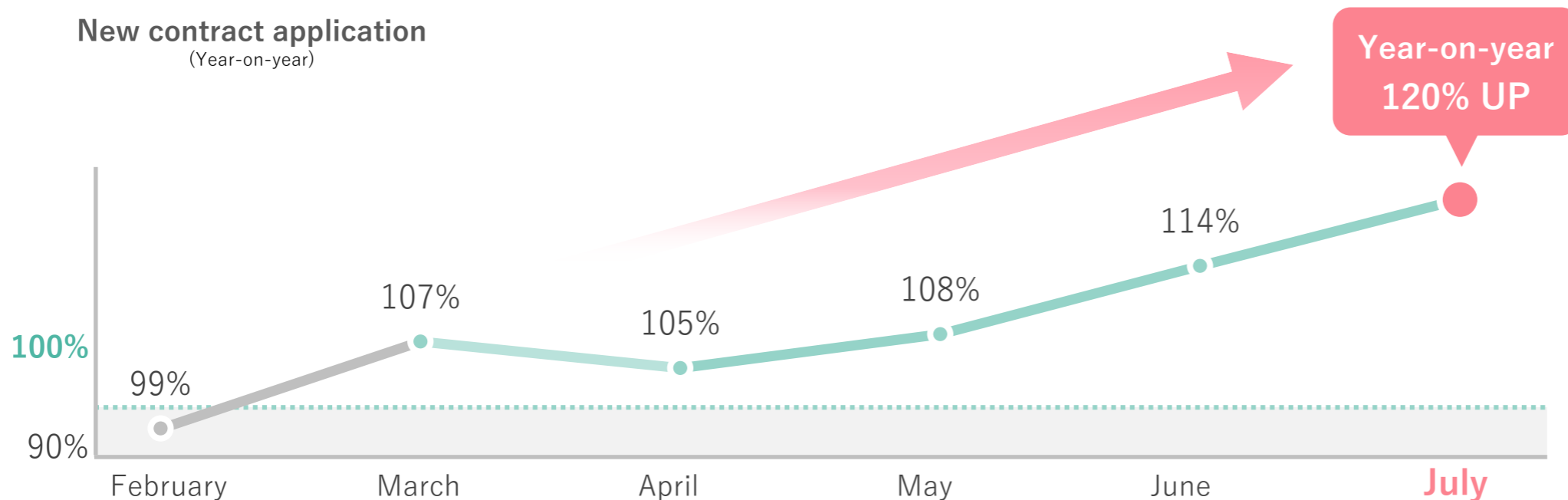
Breakdown of sales

Unit: One million yen

	FY2021/2Q	FY2022/2Q		
	Amount of money	Amount of money	Last year Change amount	Year-over-year basis
Net Sales	5,283	5,101	△182	96.5%
Initial guarantee fee	2,777	2,447	△329	88.1%
Continuation guarantee fee*	2,484	2,623	139	105.6%

*Monthly guarantee fee is included in the annual guarantee fee.

New contract application (Year-on-year)



■ Sales

Proportionally recorded, but progressed as planned despite the impact of reviewing the profitability of agencies in the previous fiscal year

■ New contract application

The number of applications increased as the number of new agencies increased by 915 year-on-year.

Cost of sales breakdown

Unit: One million yen

	FY2021/2Q	FY2022/2Q		
	Amount of money	Amount of money	Year-over-year increase/decrease	Year-over-year basis
Cost of sales	2,244	2,215	△29	98.7%
Provision of allowance for doubtful accounts	1,307	1,247	△60	95.4%
Referral fee	463	537	73	116.0%
Proceedings / Dispose expense	470	426	△43	90.7%

■ **Provision of allowance for doubtful accounts**

Amount of claims for receivables fell below expectations by improving the efficiency of collection of Right to Reimbursement

■ **Litigation and disposal costs**

Decrease in the number of lawsuits that temporarily increased due to the impact of COVID-19

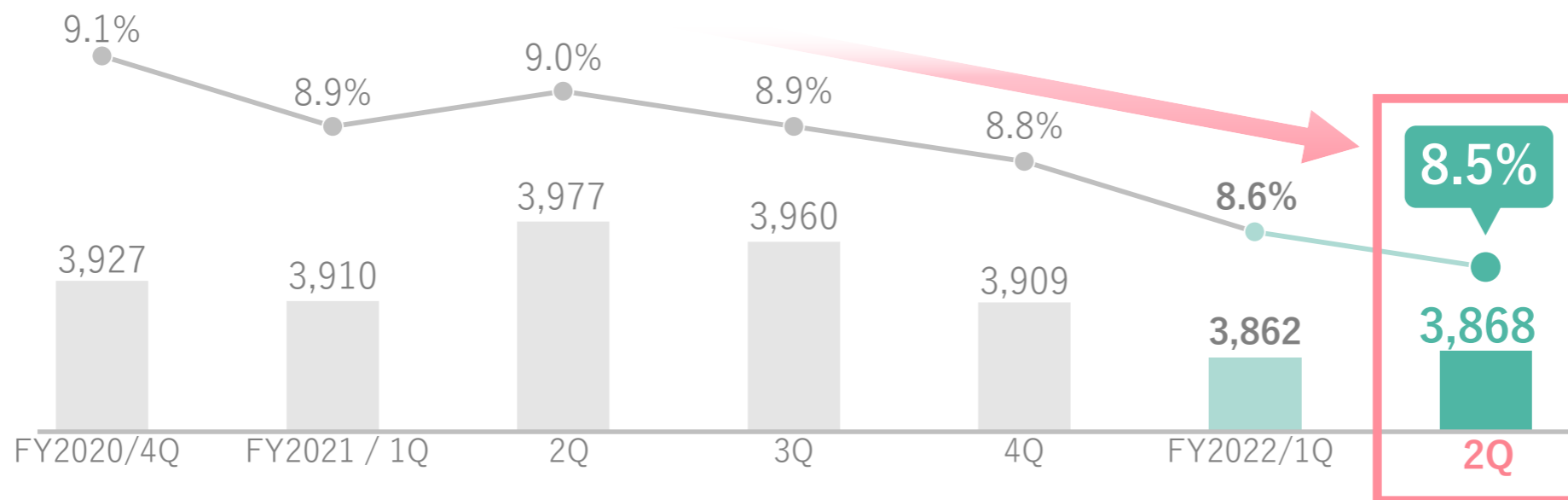
■ **Right to Reimbursement**

The ratio of Right to Reimbursements is declining at 8.5%

Transition of Right to Reimbursement

Ratio of guaranteed balance to Right to Reimbursement

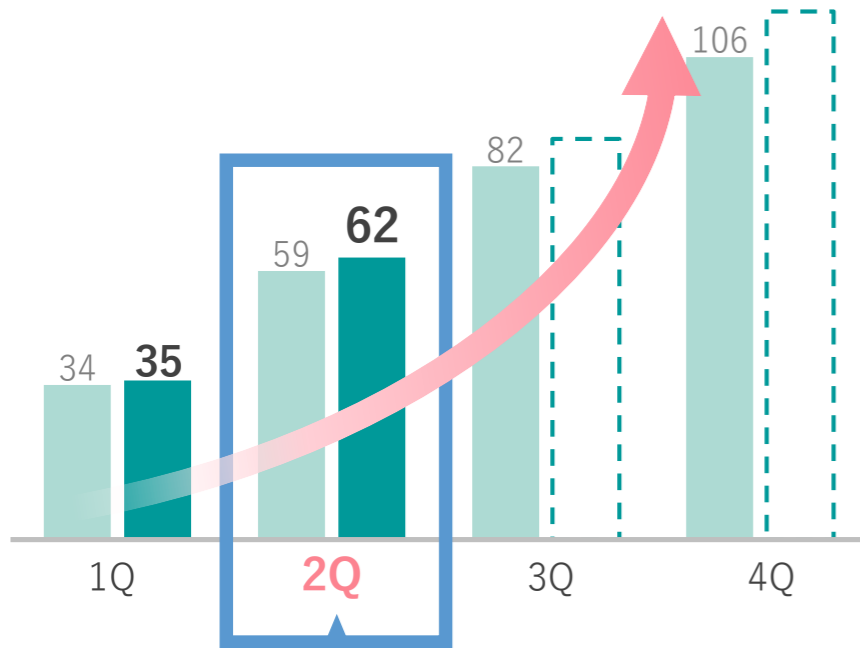
Right to Reimbursement
(Unit: One million yen)



FY2021 FY2022

New contract

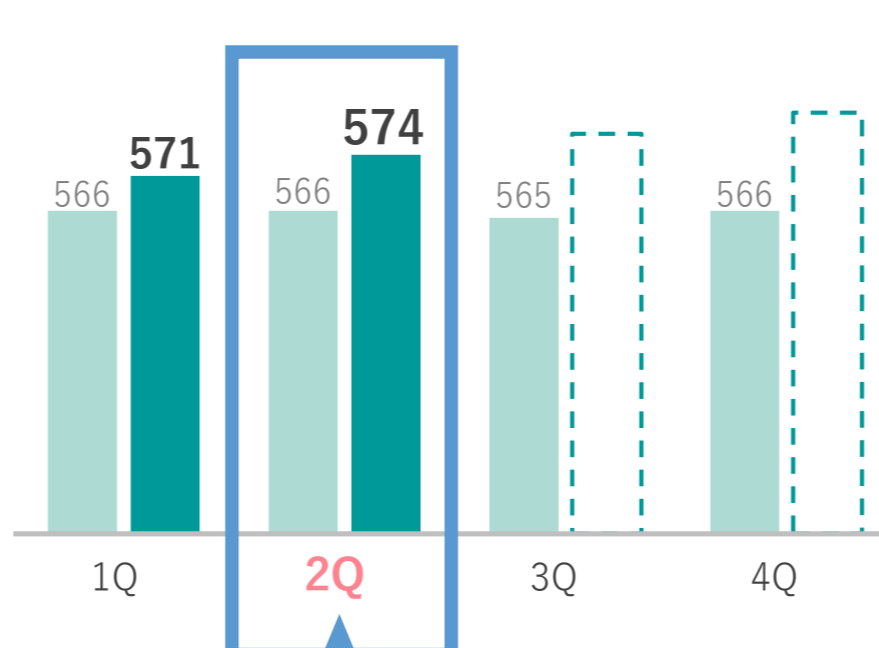
Unit: Thousands



Number of new contracts progressed as planned
Expansion of services for large and small/medium-sized agencies

Contracts Held

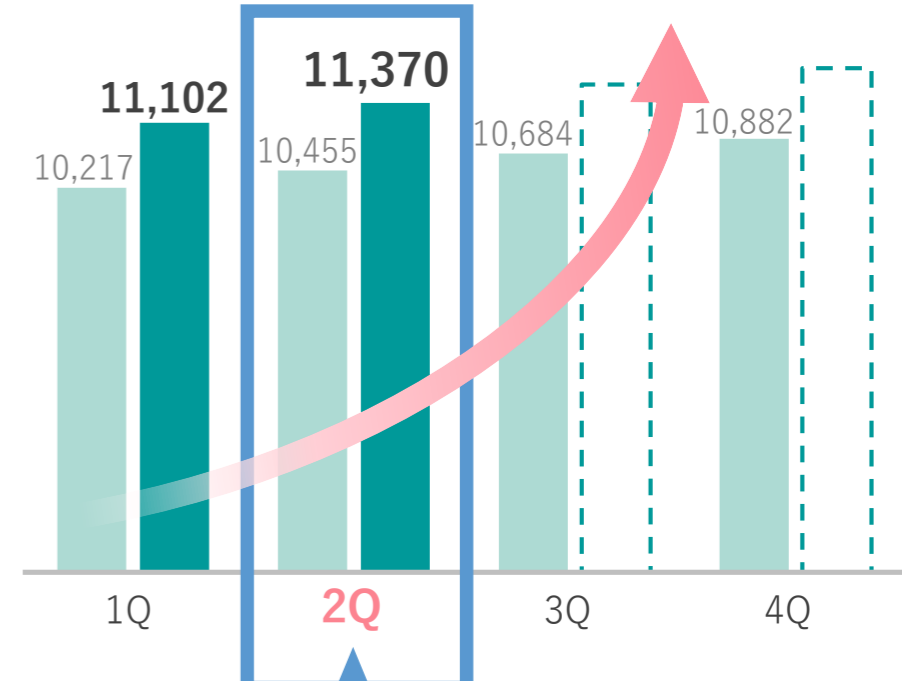
Unit: Thousands



The number of Contracts Held has also increased along with the number of new contracts. Continuation guarantee expanded to **105.6% year-on-year**

Number of agencies

Unit: company



An increase in the number of new agencies contributed to the expansion of new contracts, an **increase of 915 companies year-on-year**

Warranty lineup

Expand earnings through enhanced guarantees and improved operational efficiency

Earnings expansion

Business efficiency

Full guarantee



Direct S

OEM products using credit information



Rakuden

Reduced work burden associated with turning on and off when rooms are vacant



Landlord Direct

Set of money collection agency, Solitary Death insurance and home contents insurance



Direct Wide

Guarantee of peace of mind that covers all risks



Tenant guarantee

Guarantees commercial properties with industry-leading warranty content



Foreign nationality

Eliminate the language barrier with a three-way call service that does not require a joint guarantor

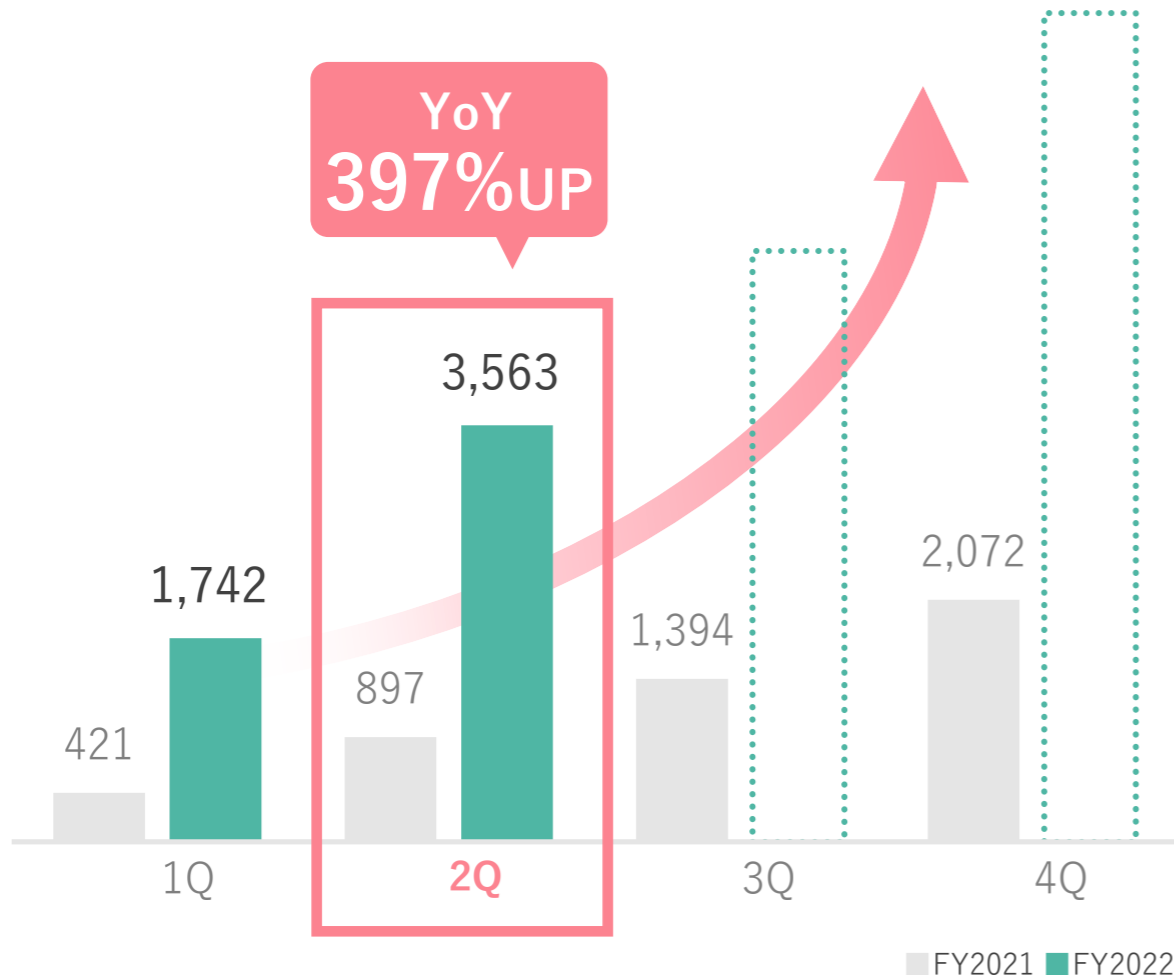
For large and medium-sized agencies

For small and medium-sized agencies

For all agencies

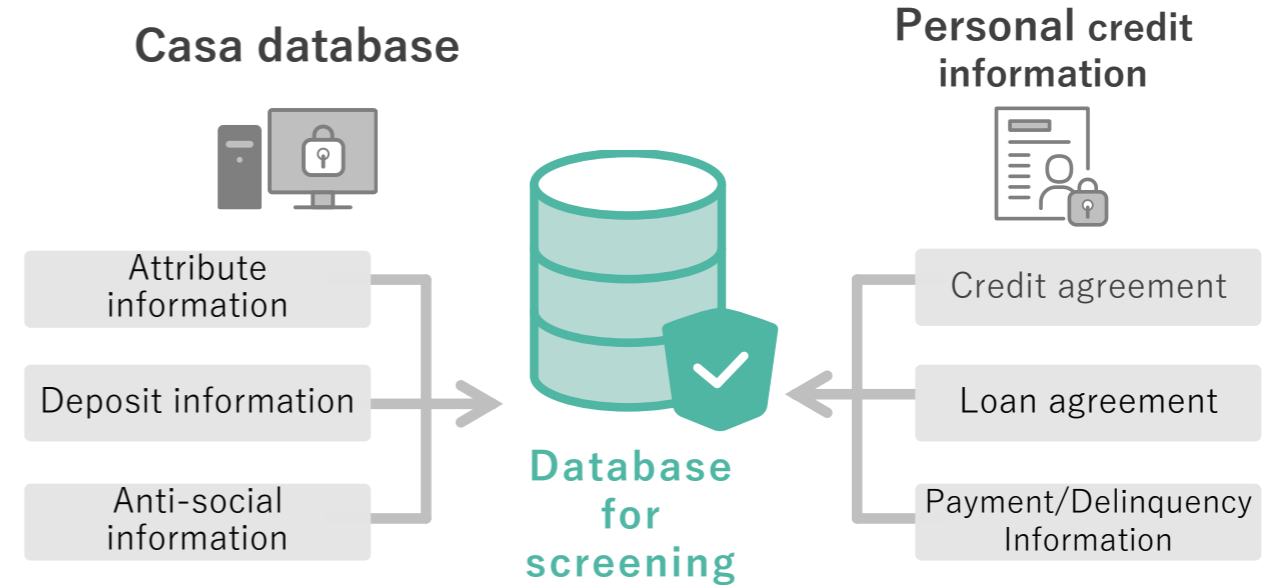
Direct S contract results

Unit: cases



Direct S

OEM products using credit information



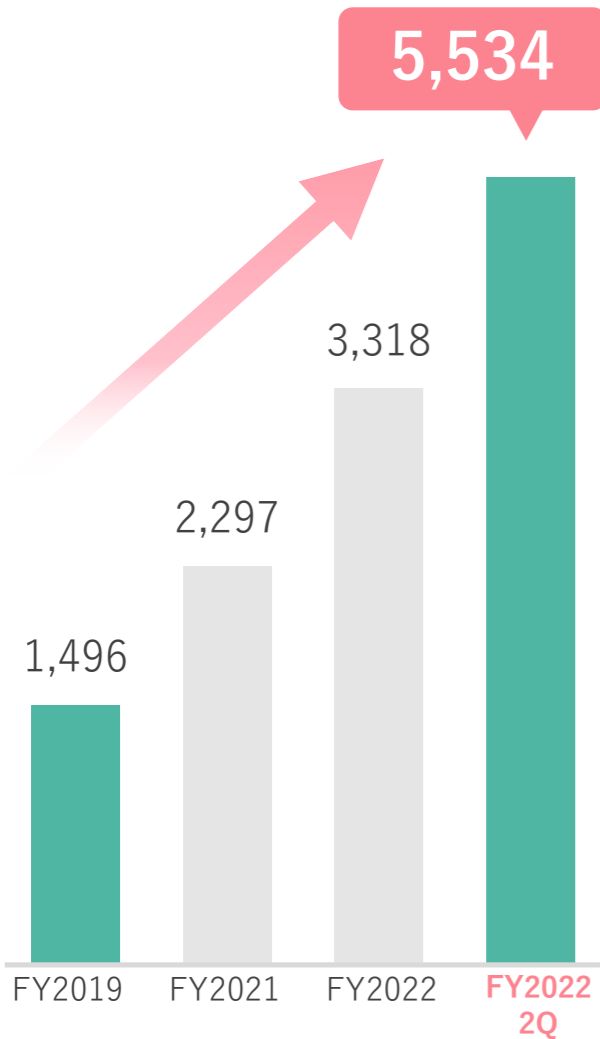
Product concept

The accuracy of screening is improved by utilizing the Casa database (rent information, payment history) and credit card and loan card transaction information held by personal credit information agencies.

Warranty service for small and medium-sized agents

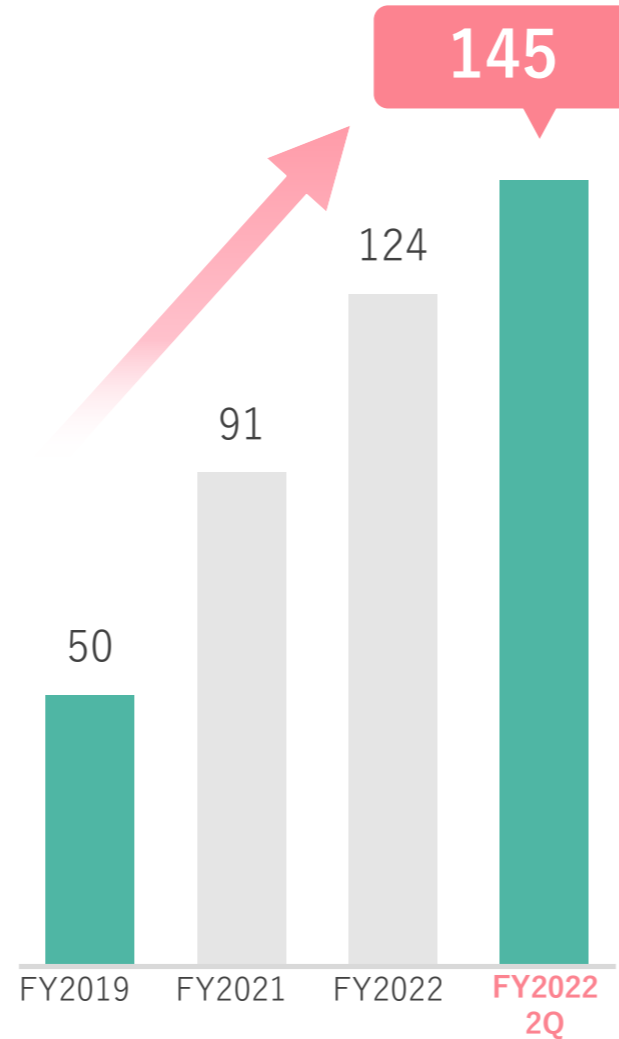
Number of agencies using (total)

Unit: agency



Number of contracts (total)

Unit: Thousands



Landlord Direct service content



Recruitment of tenants



Rent management



Rent guarantee



Solitary Death insurance



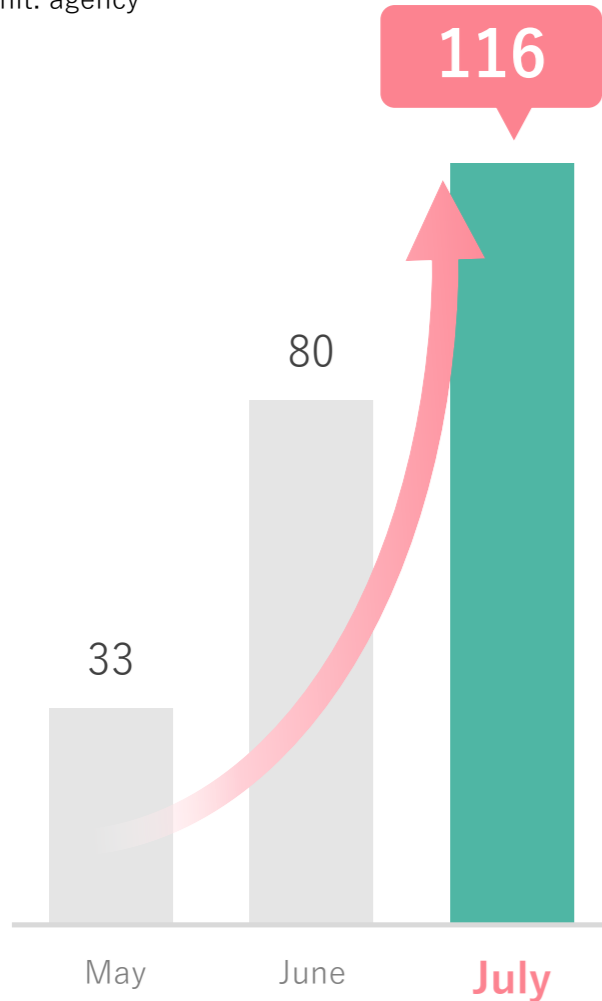
Household insurance



Rescue

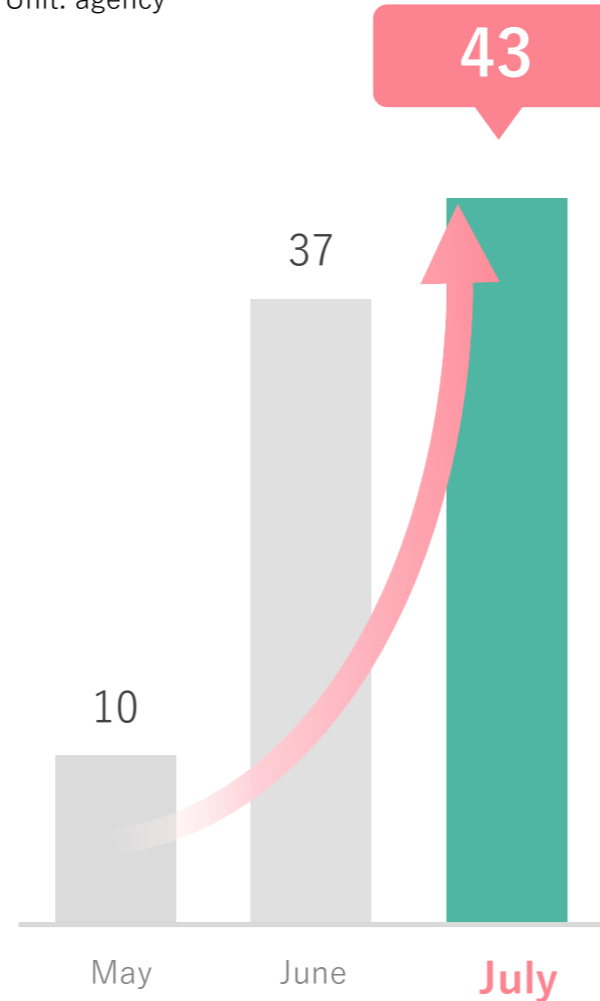
Direct Wide installation results (cumulative)

Unit: agency



Rakuden introduction record (cumulative)

Unit: agency



Direct Wide (released April 2022)

Full guarantee

- High creditworthiness utilizing credit information
- Reliable warranty period
- Stock-type income plan



Rakuden (Released in May 2022)

Procedures to the electric power company when the room is vacant can be done online

Move-out

Vacancy period

Move-in

Burden of real estate company

- Communication with the power company to turn on/off electricity
- Settlement with the power company and owner
- Cost of electricity

AI-powered credit and collection control

Suppress delinquency and long-term uncollected payments by creating an examination score and collection model

Aim to reduce cost of sales and operating costs

Screening score (starting in September)

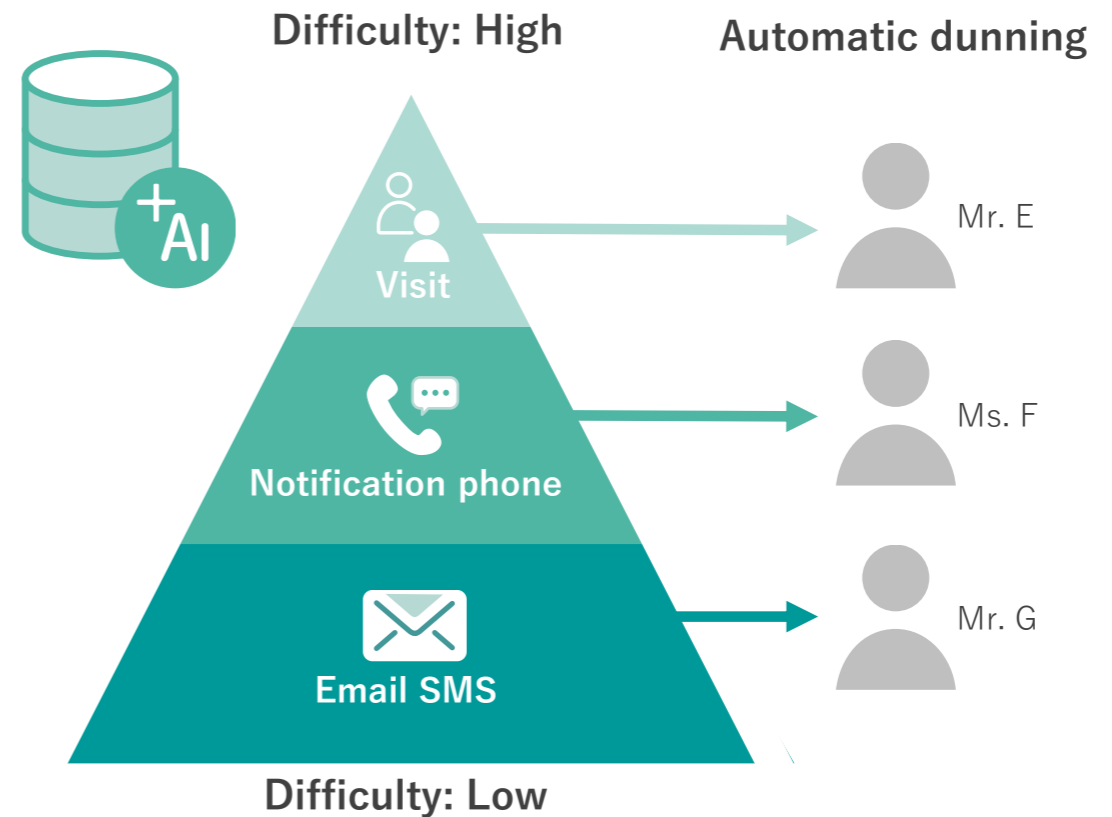
- Gender/Age
- Marital status
- Address/phone number
- Occupation, place of work, annual income
- Receivable information/overdue information
- Negotiation history/Deposit history

AI review



Application details	Rent	Score
Mr. A	100,000 yen	90 points
Mr. B	80,000 yen	60 points
Ms. C	50,000 yen	95 points
Ms. D	90,000 yen	50 points

Debt collection model (started in November)



Expansion of warranty service

Real estate industry needs

Breakdown of rental housing

Number of rental housing units: 19.25 million (estimate)
→ **Management company market 52.4%**

Large/medium scale



- Expand earnings
- Response speed for screening, etc.
- System linkage with in-house management software

Small scale



- New system introduction
- Expansion of warranty coverage
- Operational efficiency

Source: From "Rental Management Market Data Book 2021-2022" published by Nationwide Rental Housing Newspaper

Market situation

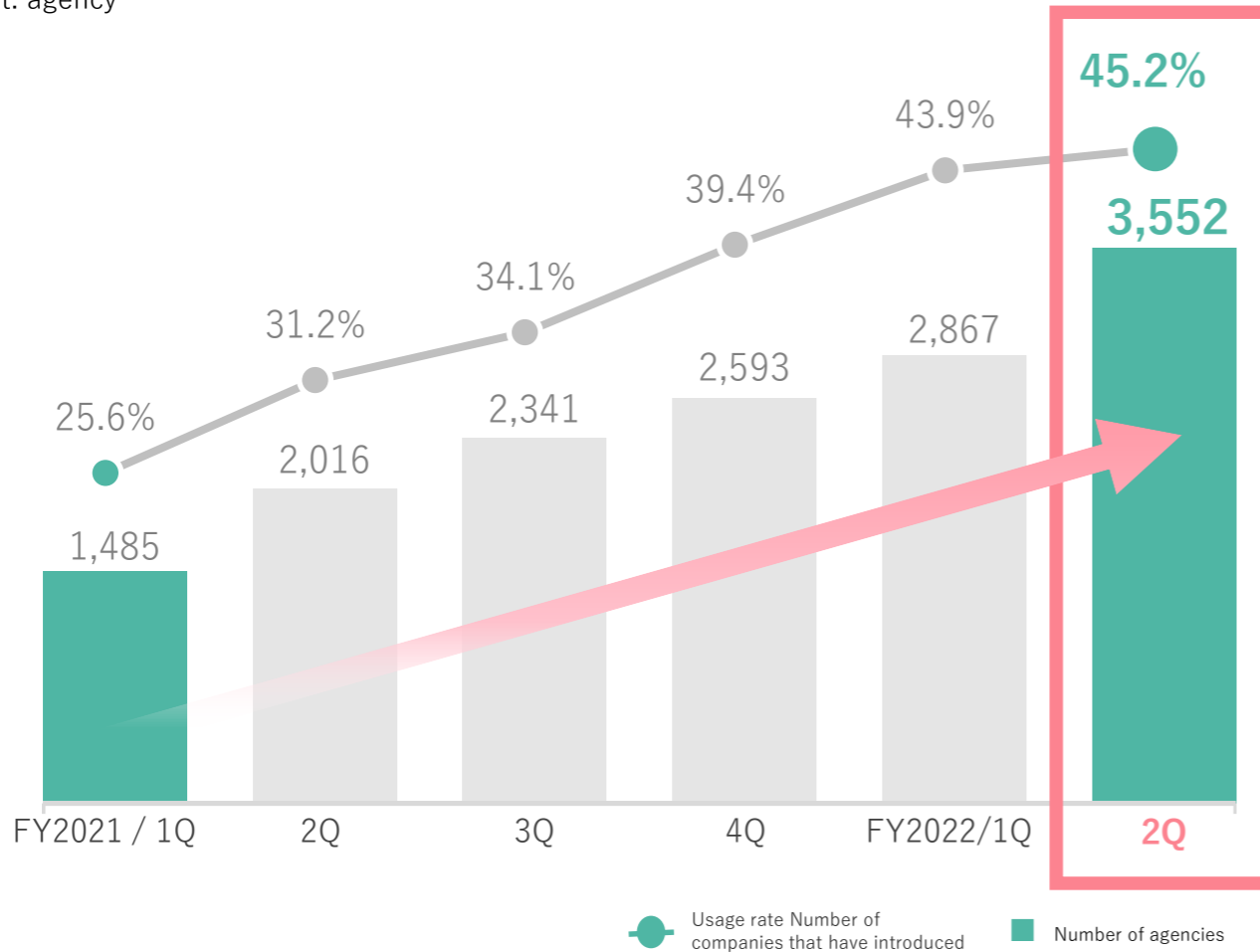
	Number of real estate companies	Digitalization	System supply	Service
Large/medium scale	3,000 companies	Advancing	System linkage Management software cooperation	Direct S
Small scale	300,000 companies	Running late	Casa WEB	家主ダイレクト

Initiatives for Guarantee DX

Streamlining the guarantee business of real estate companies by going online

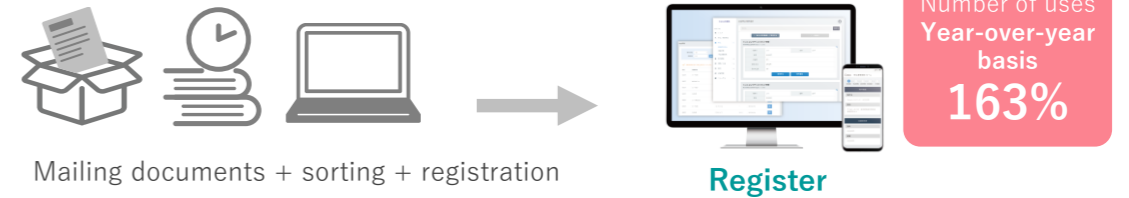
Increased use of Casa WEB

Unit: agency

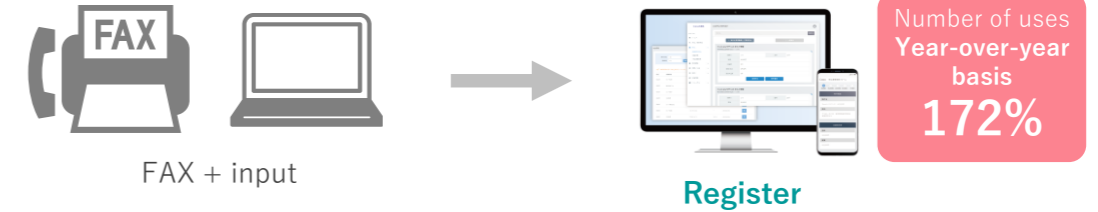


Casa WEB

Electronic contract



Delinquency registration



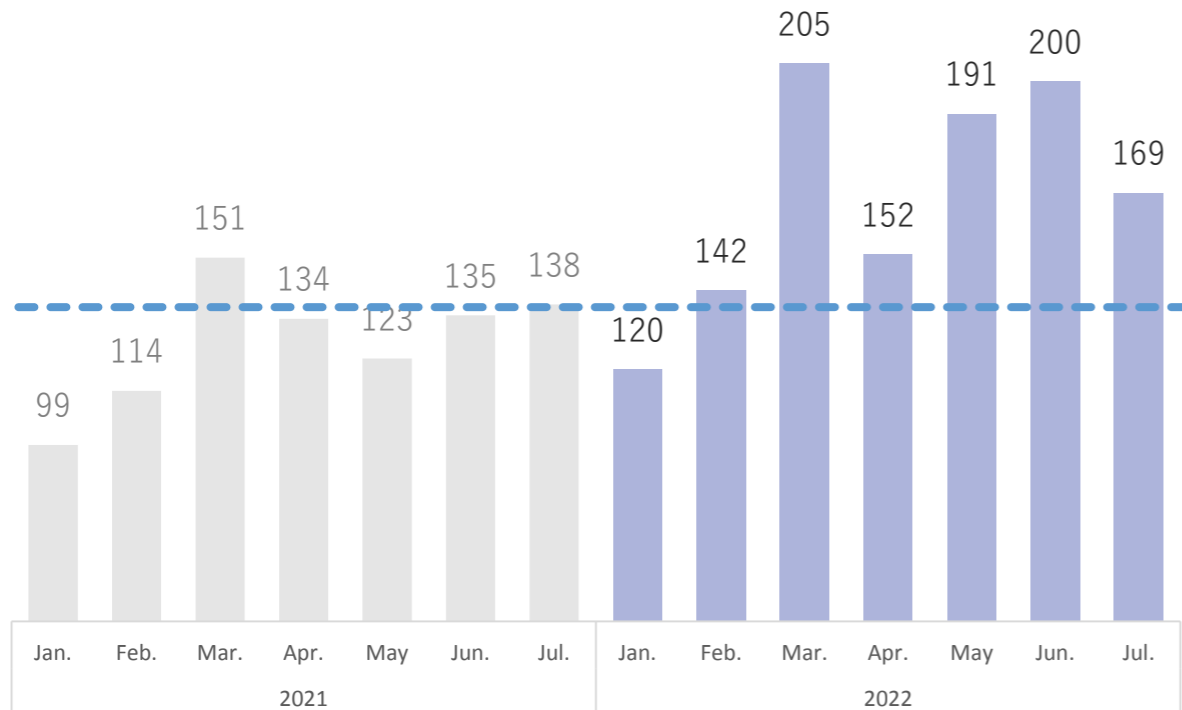
- Electronic contract
- Web application
- Remittance details
- WEB account transfer
- Management software cooperation
- Reporting of delinquency, change, payment, etc.
- Home insurance cooperation
- Cooperation with insurance companies

External environment

Bankruptcies of restaurants and retailers and increase in foreign tenants further increase the need for guarantee companies

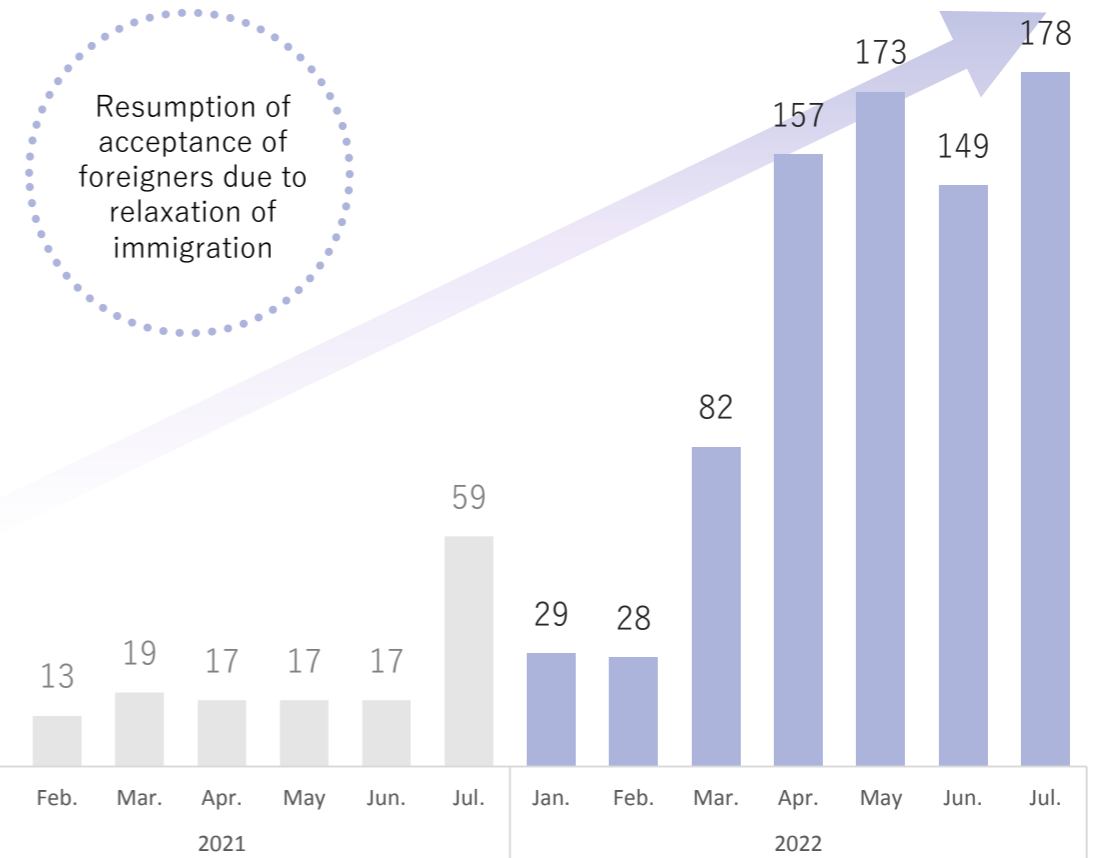
Number of coronavirus-related bankruptcies (unit: cases)

Covid-19 bankruptcies remain high



Source: From Tokyo Shoko Research "Corporate Bankruptcies Nationwide"

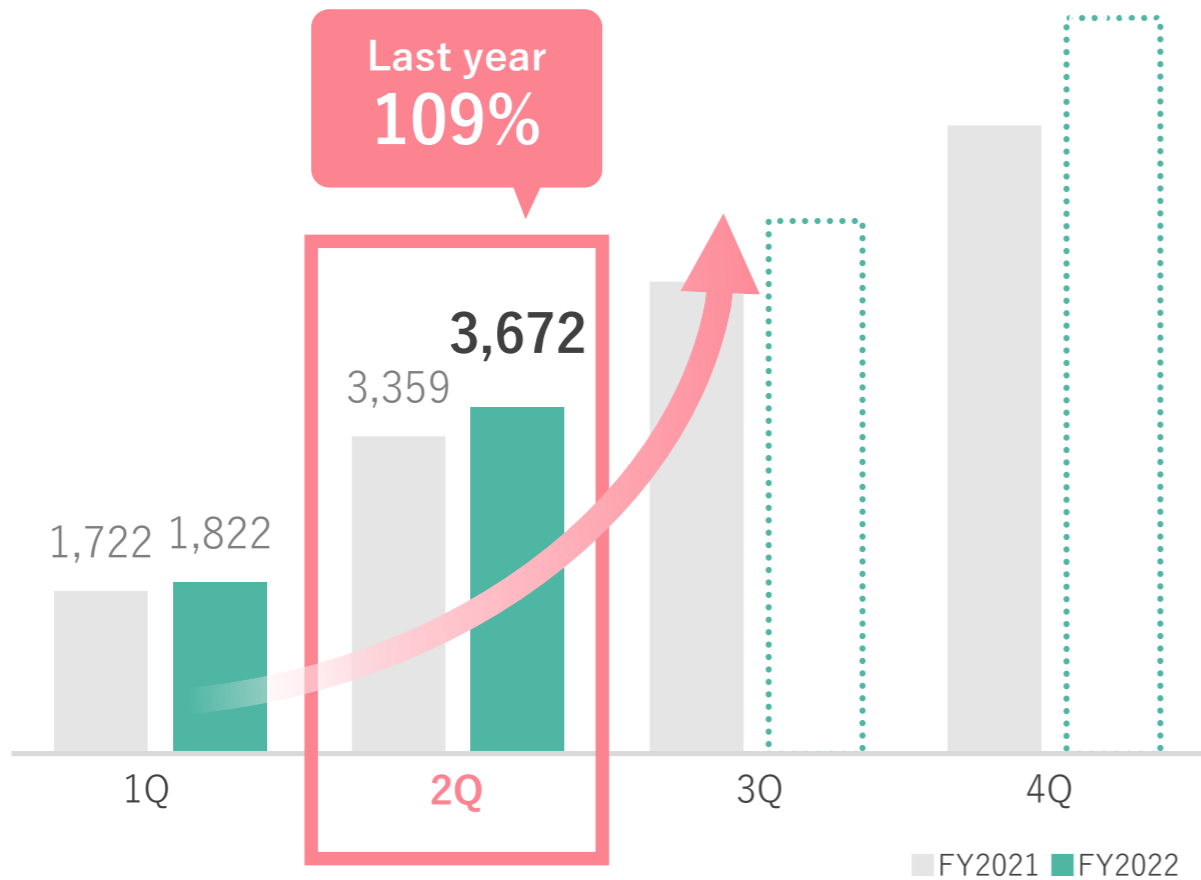
Number of foreign nationals entering Japan (unit: 1,000)



Source: Ministry of Justice "Immigration Control Statistics"

Tenant Guarantee Contract track record

Unit: cases



New service release in July

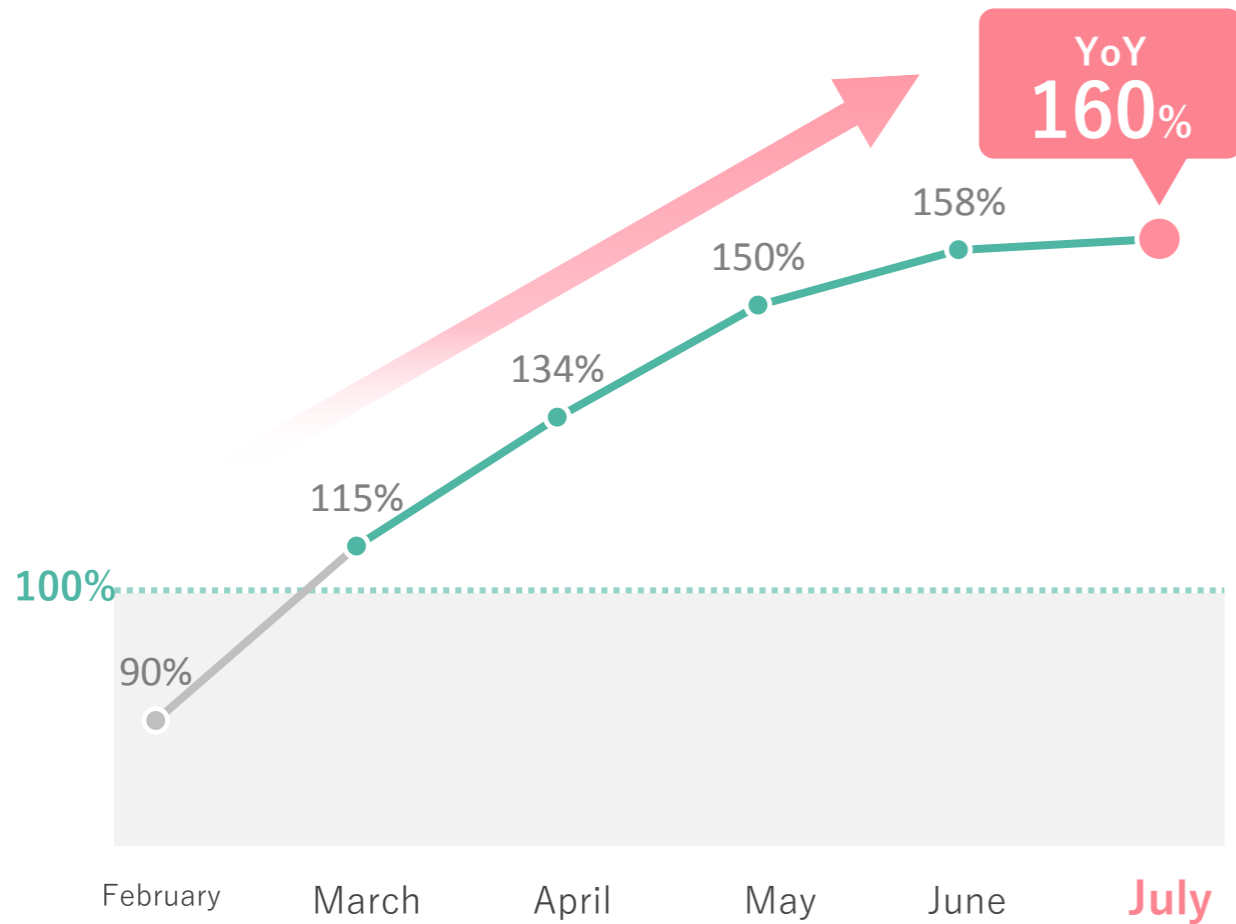


Service contents

- Rent, etc.
- Fixed cost (parking-signboards, etc.)
- Renewal fee
- Early termination penalty
- Expenses upon moving out
- Variable costs (water, Utility costs)
- Rent, etc. Equivalent damages
- Legal proceedings cost

Number of new applications for foreign nationals

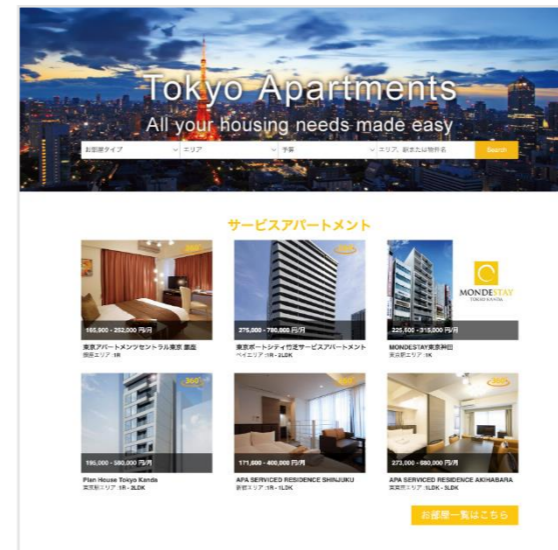
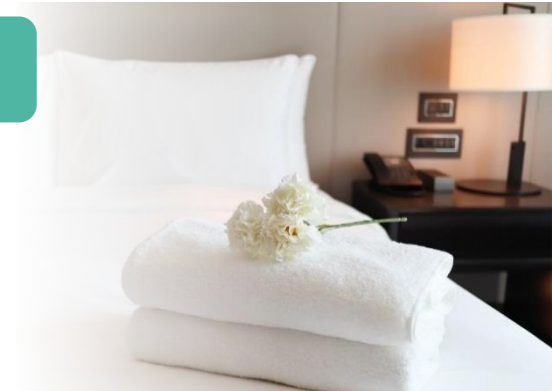
unit:%



Serviced apartments for foreigners



Casa have realized rent guarantee and rent payment by credit card. Users will be able to secure their creditworthiness by rent guarantees and make payments and contracts smoothly.



Strengths of Enplus

Casa support foreign workers working in Japan to set up their lives before coming to Japan and support them while they are in Japan. Casa provide a one-stop service for moving and setting up a life for human resources working overseas and those moving between countries.

Personnel

- Acquisition and development of IT human resources
- Area expansion through new office openings
- Commencement of recruitment activities for new graduates

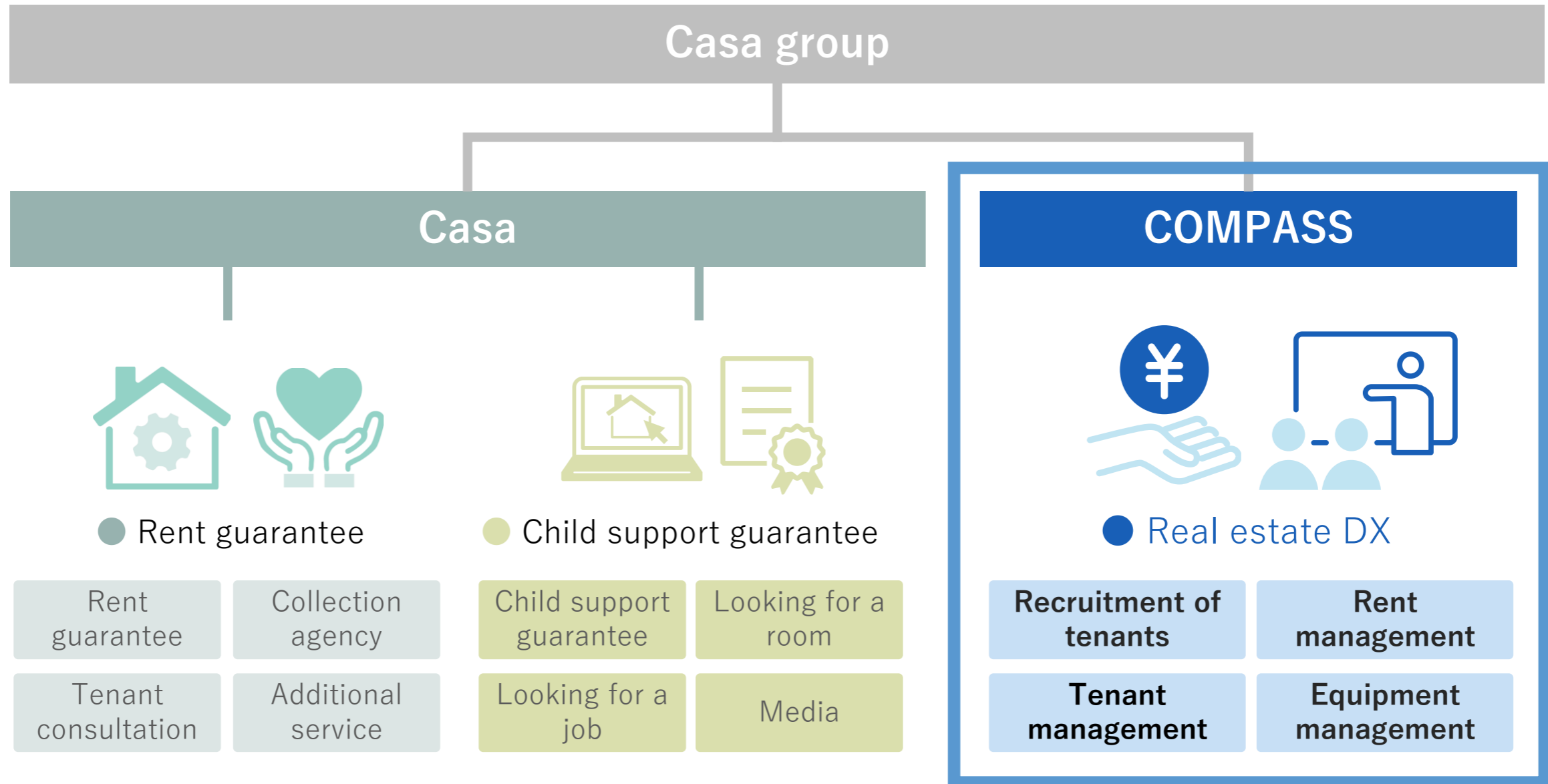
Service

- By alliance providing added value
- Provision of Landlord/tenant app
- Expansion of tenant guarantees

DX

- Improved AI score accuracy
- Expansion of guaranteed DX
- Promote real estate DX

C O M P A S S



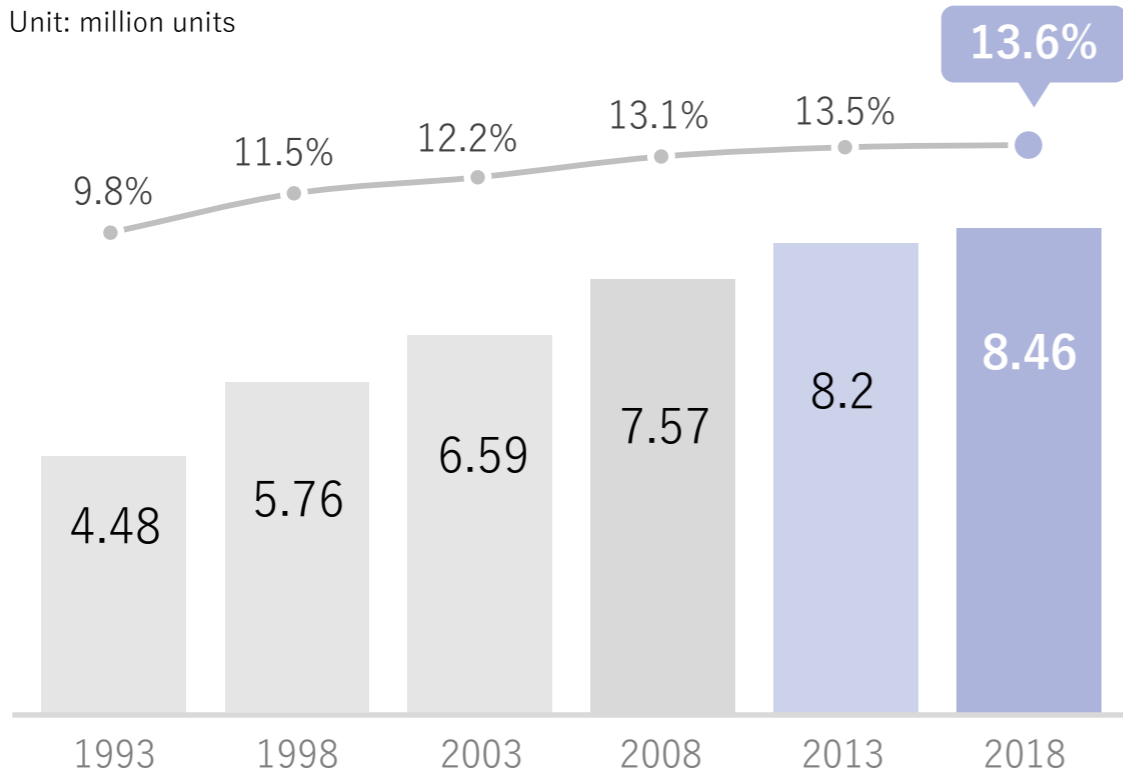
Breakdown of rental housing

Number of rental housing units: 19.25 million units (estimate) **Self-managed market 47.6%**

Source: "Rental Management Market Data Book 2021-2022" published by Zenkoku Rental Housing Newspaper

Changes in the number of vacant houses and the rate of vacant houses

Unit: million units

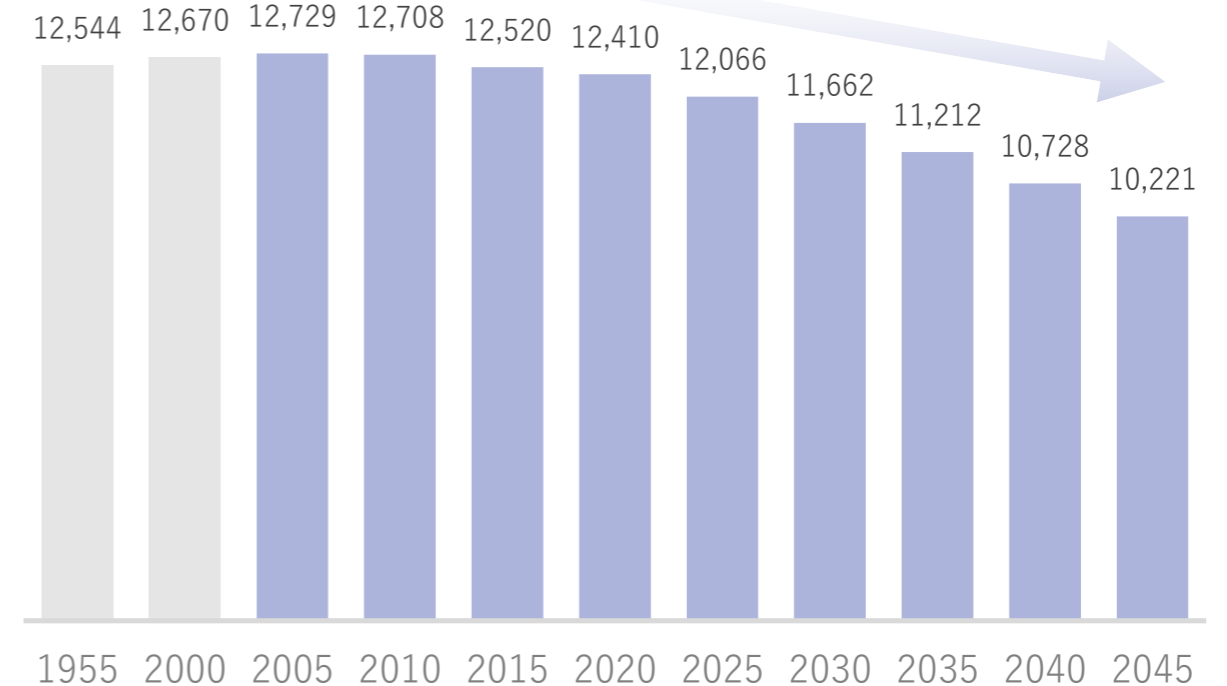


Source: Housing and Land Statistics Survey (Ministry of Internal Affairs and Communications)

● Vacant house rate
■ Number of vacant houses

Changes in population decline

Unit: 10,000 people



Source: Ministry of Internal Affairs and Communications White Paper on Information and Communications

Landlord using COMPASS



Number of units owned
8 to 15 units



Average building age 34
years

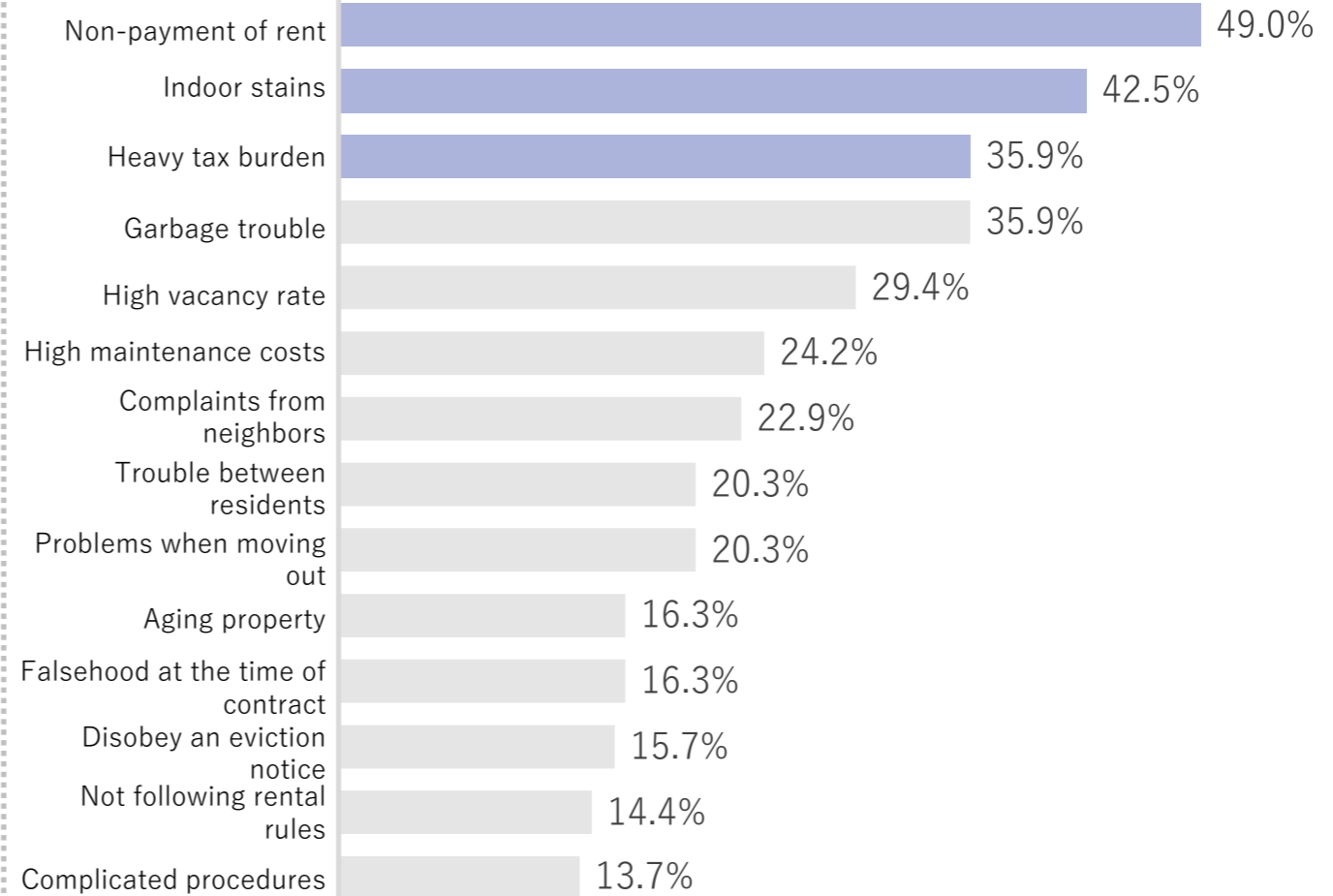


Management method:
Voluntary management



Landlord's age
30s to 50s

Troubles of rental management



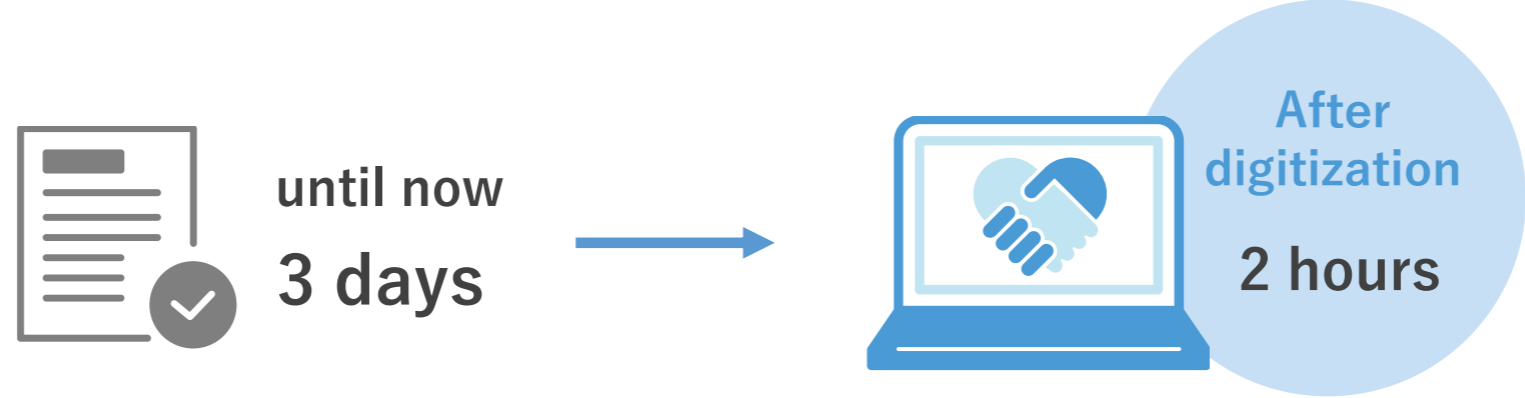
The COMPASS logo is centered within a large white circle that has a subtle drop shadow, making it stand out against the light blue background. The word "COMPASS" is written in a bold, black, sans-serif font.

**Create an Owner-centered
transparent and efficient
real estate industry**

One-stop support for rental management of real estate owners



Significant reduction in the number of days required for Lease Agreement and Guarantee Contracts

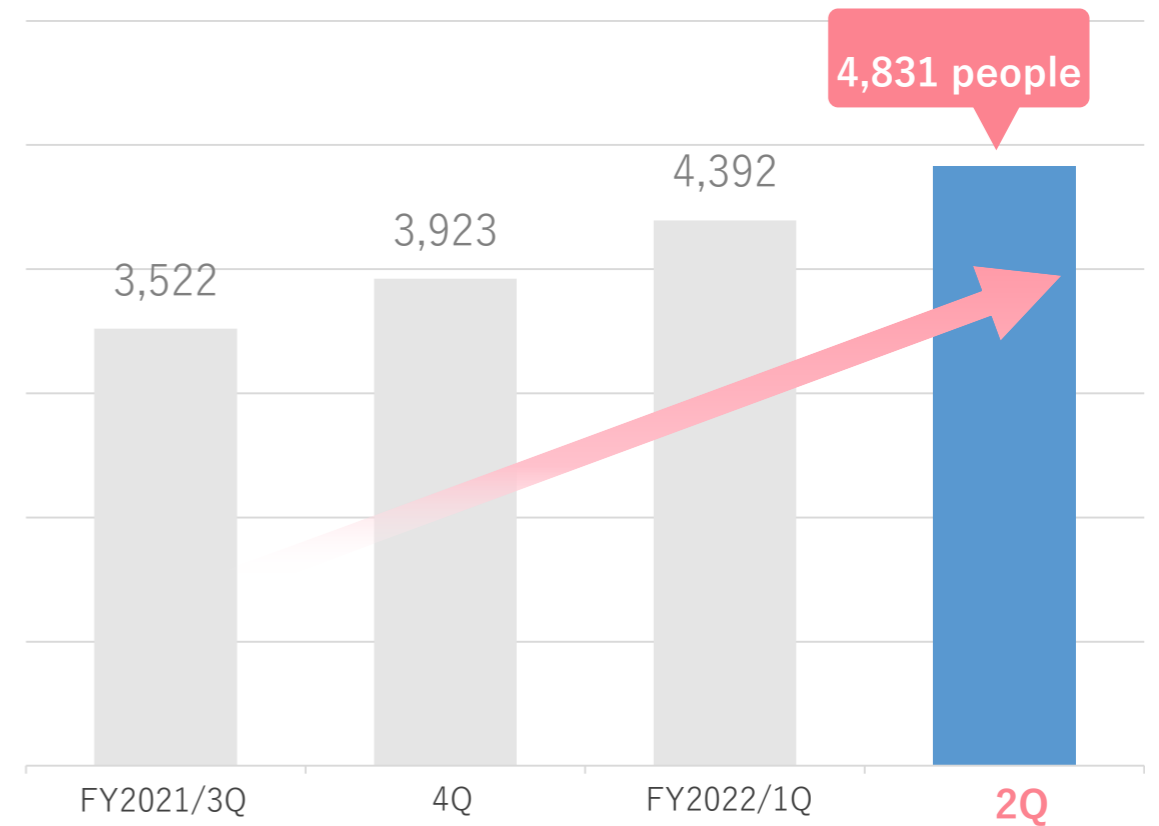


Holding owner seminars



Number of landlords acquired

Owner Registered landlord of WEB



養育費保証



Child support guarantee

Never received child support: 56%

Source: Nationwide Single-Parent Household Survey Report

Government efforts

- Assistance for expenses related to preparation of notarial deeds, etc.
- Assistance for initial guarantee fee for child support guarantee

Number of municipalities

2020: 22 municipalities 2022: **154 municipalities**

According to Casa research, as of the end of June 2022



Child and Family Agency



- Enhancing consultation services and information provision, creating a place for all children
- Measures against child poverty and support for single-parent families
- Policy planning from the perspective of children

A Japanese administrative agency scheduled to be established on April 1, 2023. The purpose is to consolidate administrative affairs related to children, which were previously under the jurisdiction of the Ministry of Education, Culture, Sports, Science and Technology, the Ministry of Health, Labor and Welfare, the Cabinet Office, and the National Police Agency.

Enlightenment activities for knowledge necessary for child support at the time of divorce

Publication in the media

- Published in various media such as newspapers
- Owned media management

Holding seminars and exchanging information

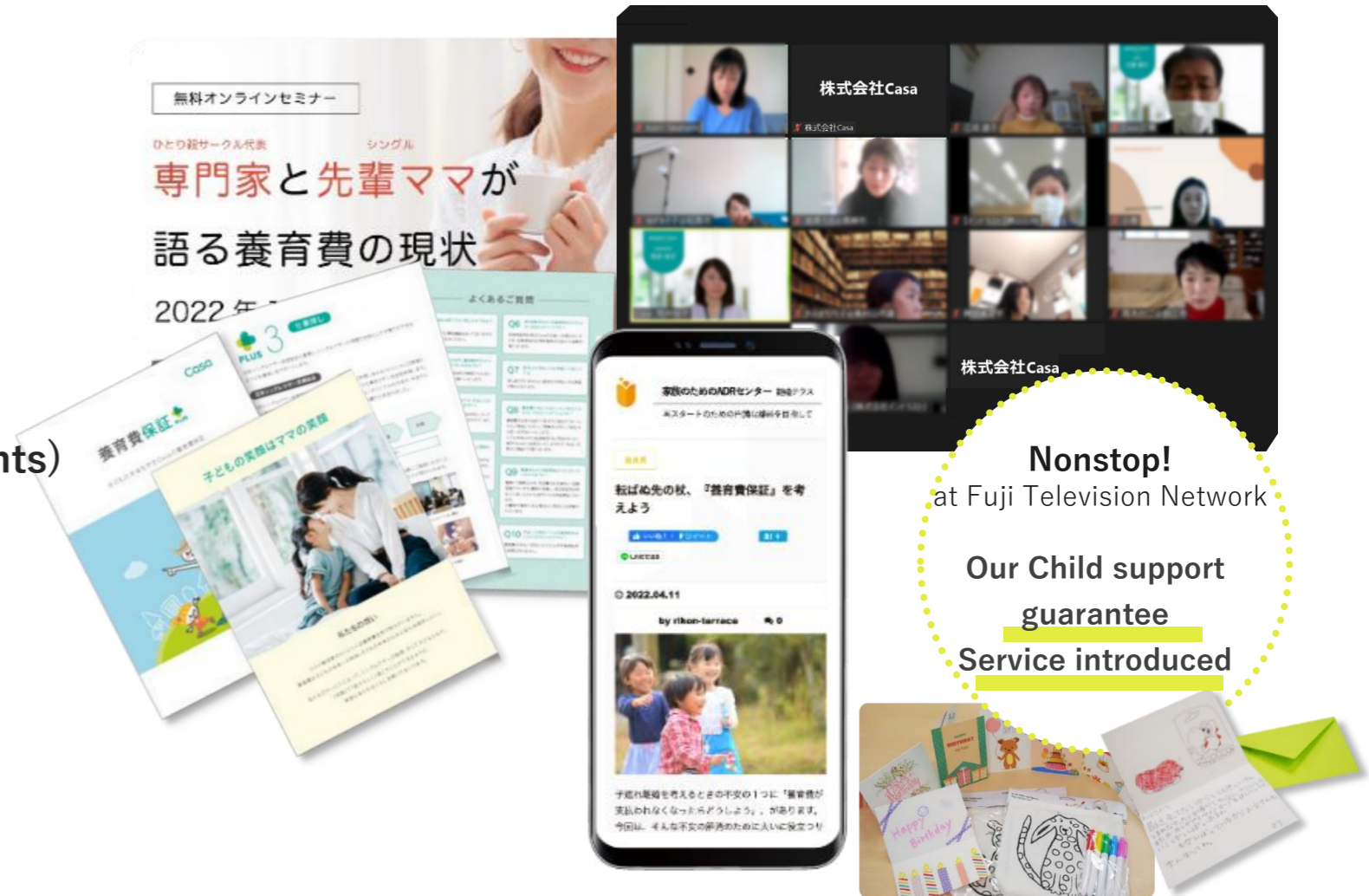
- Holding seminars with lawyers, FPs, and cooperating organizations

Administrative cooperation (154 local governments)

- Efforts to secure child support
- Exchange of information on cost subsidies

Holding events

- Thank you campaign
- Parent-child photo event
- Visiting Australian zoos



SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



Online real estate transactions



Business systematization



Promotion of real estate DX




Child support guarantee service



Rent guarantee service



Tenant service

A wide-angle photograph of a city skyline, likely Tokyo, featuring numerous skyscrapers and buildings. The sky is a clear, bright blue with scattered white clouds. The image is used as a background for the text.

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

Notes

- 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 September 8, 2022, and reflect any future events or circumstances, and any forward-looking statements. We have not updated or changed the Content of the statement.