

Casa

Financial Results Presentation
for the Third Quarter of 2023



Listed Code : 7196

Consolidated income statement

| Unit: million yen | FY2021/Q3 | FY2022/Q3 | Q4 plan | |
|---|-----------------|-----------------|---------|------------|
| | Amount of money | Amount of money | Plan | Progress |
| Net Sales | 7,837 | 7,676 | 10,394 | 74% |
| Operating Profit | 989 | 612 | 737 | 83% |
| Ordinary Profit | 1,064 | 685 | 805 | 85% |
| Profit attributable to owners of parent* | 645 | 319 | 459 | 70% |

Net Sales

New contracts for major and small-to-medium-sized agencies increased steadily, progressing as planned.
Initial guarantee fee: 3,708 million yen
Continuous guarantee fee: 3,927 million yen

Ordinary Profit

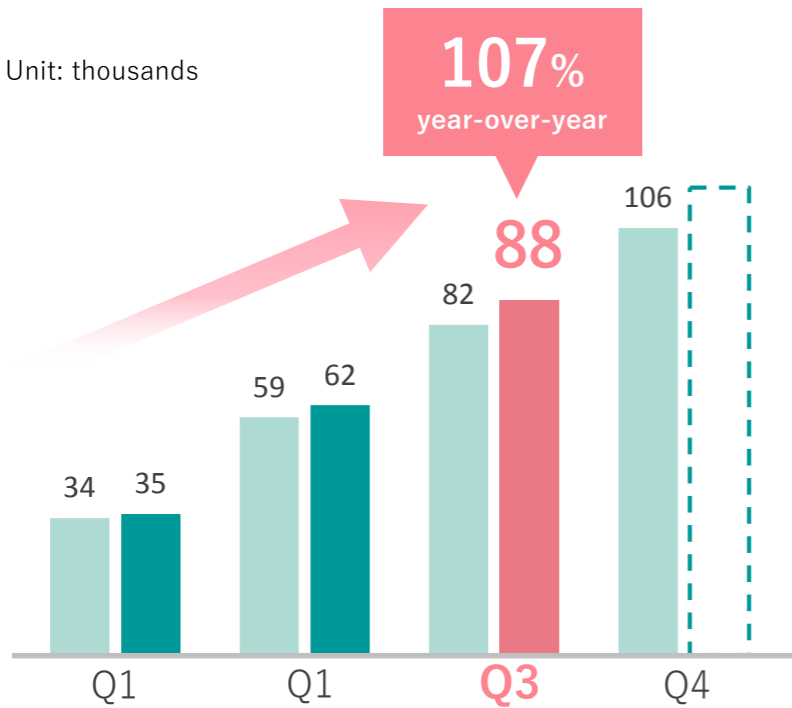
Reducing SG&A expenses by streamlining cost of sales and internal operations

*Recorded a goodwill impairment loss for Along with Co., Ltd.

New contracts

FY2021
FY2022

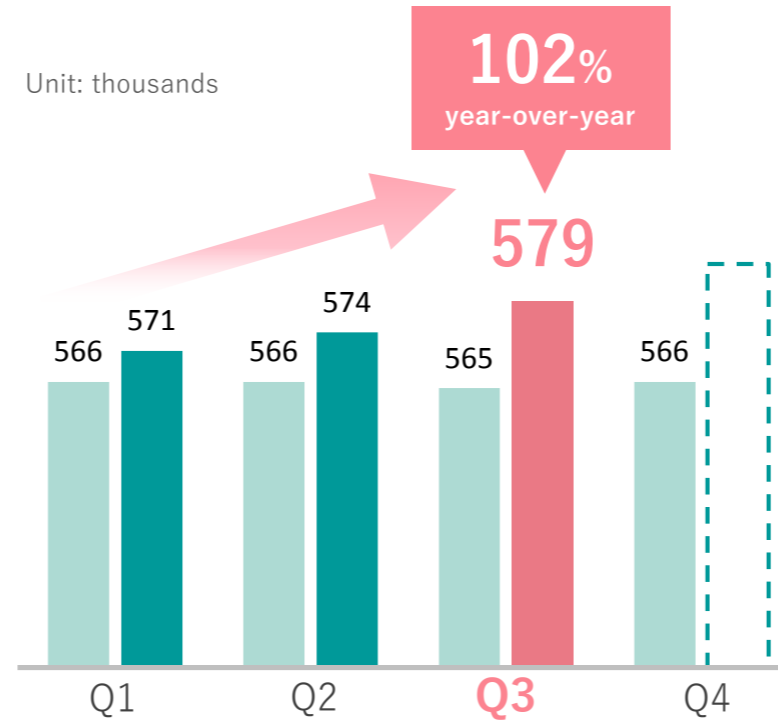
Unit: thousands



The number of new contracts progressed as planned due to the expansion of services for large companies and for small and medium-sized companies

Contracts Held

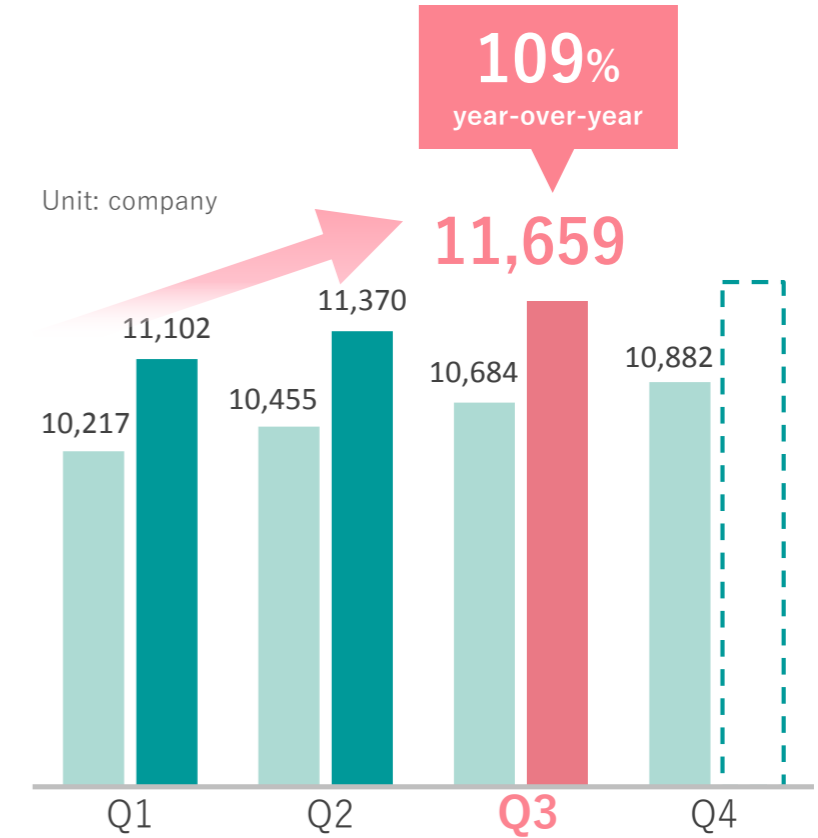
Unit: thousands



The number of contracts held increased, and continuous guarantee fees **increased to 105.3% year-on-year**

Number of agencies

Unit: company



The number of new agencies **increased by 975 year-on-year**, and new contracts increased.

Cost of sales breakdown

Unit: million yen

| | FY2021/Q3 | FY2022/Q3 | FY2022/Q4 | |
|--|-----------------|-----------------|-----------|----------|
| | Amount of money | Amount of money | Q4 plan | Progress |
| Cost of sales | 3,105 | 3,208 | 4,367 | 74% |
| Provision of allowance for doubtful accounts | 1,743 | 1,740 | 2,466 | 71% |
| Referral fees | 660 | 808 | 1,036 | 78% |
| Proceeds/Disposal expenses | 694 | 650 | 861 | 75% |

Provision of allowance for doubtful accounts

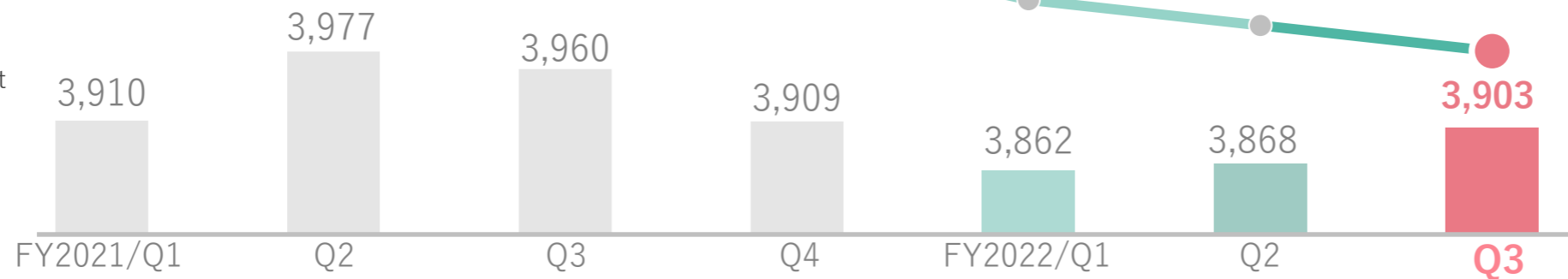
The revision of the collection system improved the collection rate. IT is being leveraged to strengthen dunning efficiency.

Right to reimbursement trends

Ratio of guaranteed balance to right to reimbursement

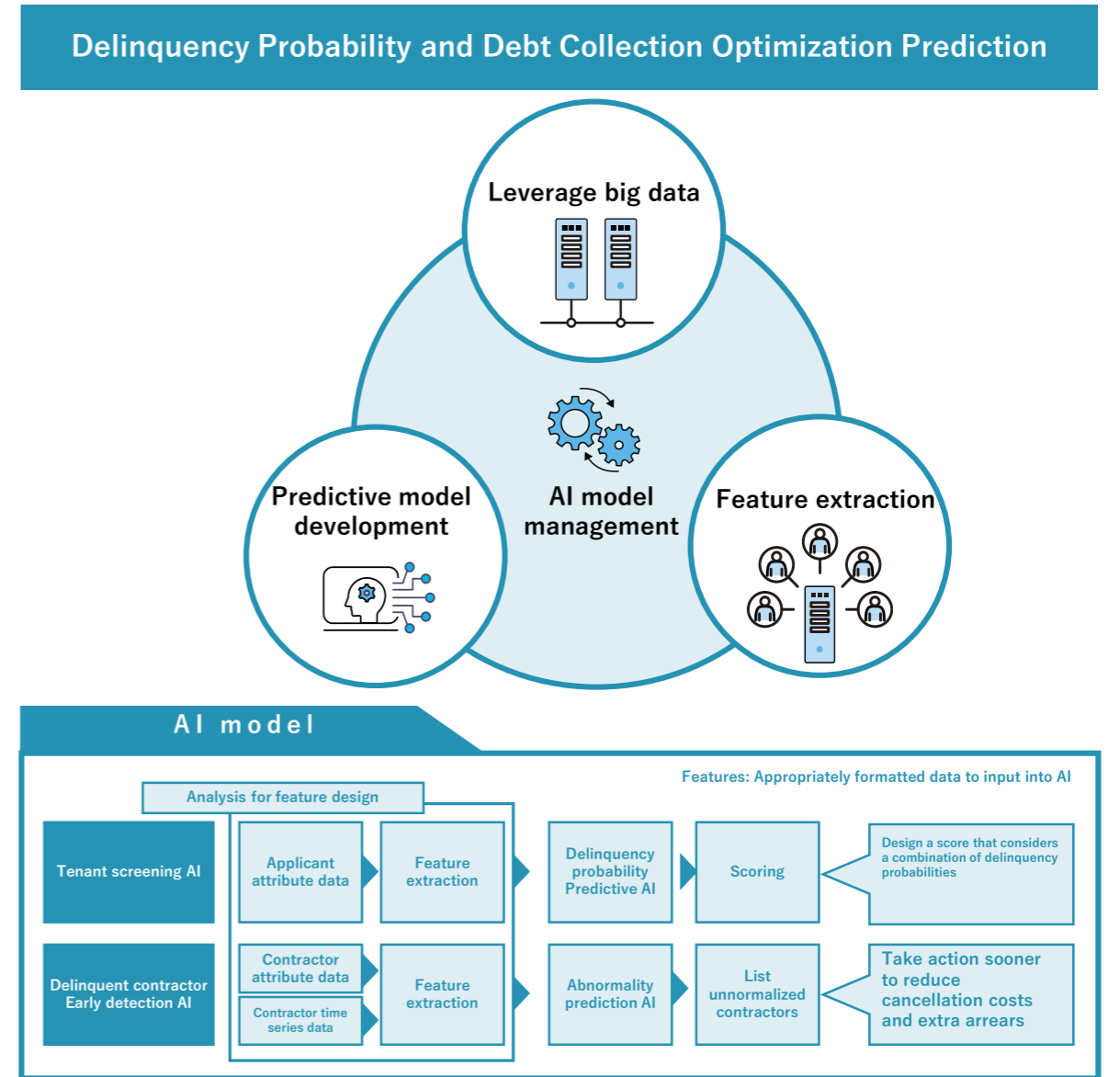
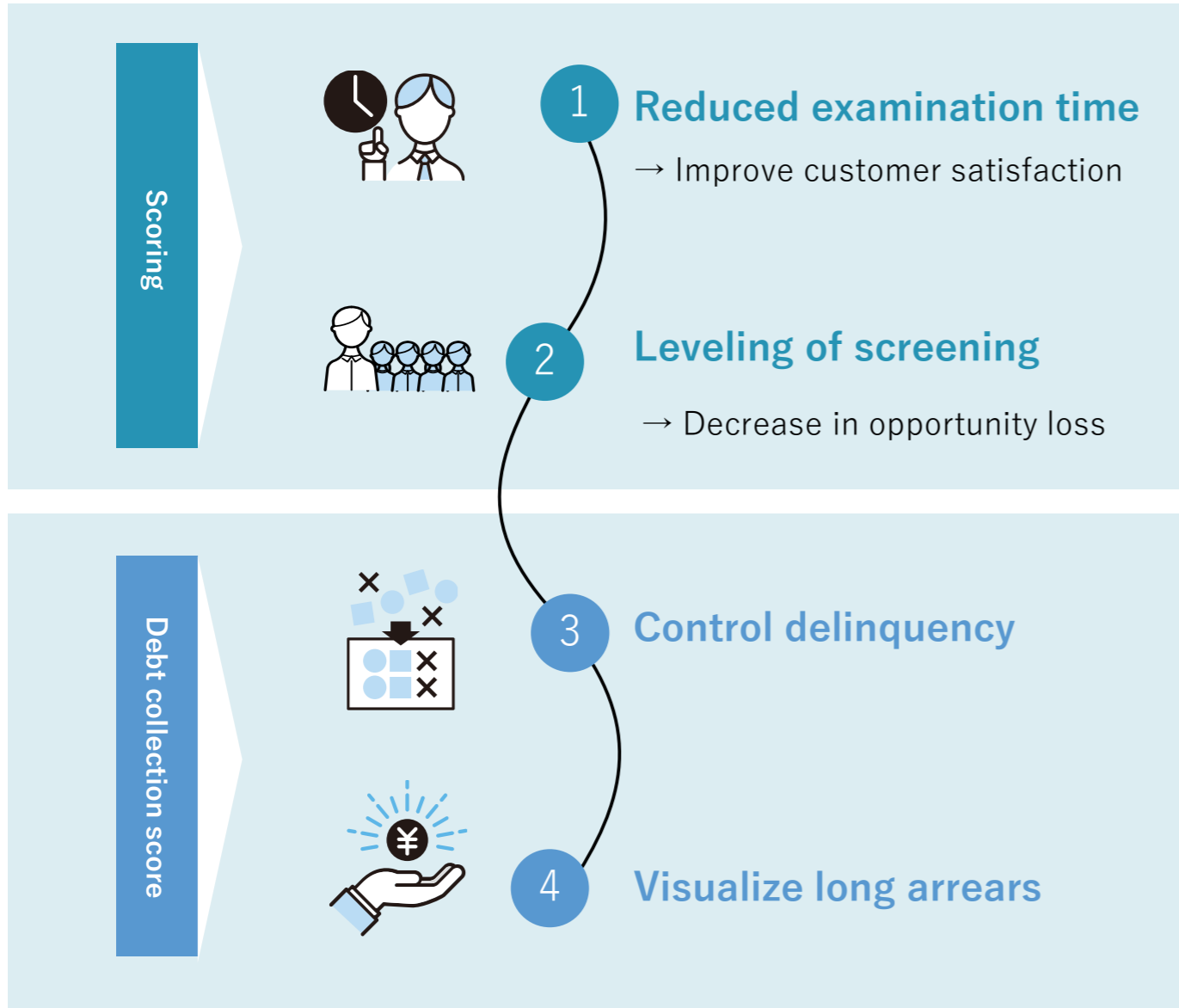
Compression due to improved recovery

Right to reimbursement
(Unit: million yen)



Right to Reimbursement

The right to reimbursements ratio is declining. It is currently 8.4%.



Earnings expansion

For large and medium-sized companies



Direct S

OEM products using credit information

Full guarantee

For small and medium-sized agencies



Landlord Direct

Set including money collection agency, solitary death insurance and home contents insurance



Direct wide

Guarantee of peace of mind that covers all risks

For all distributors



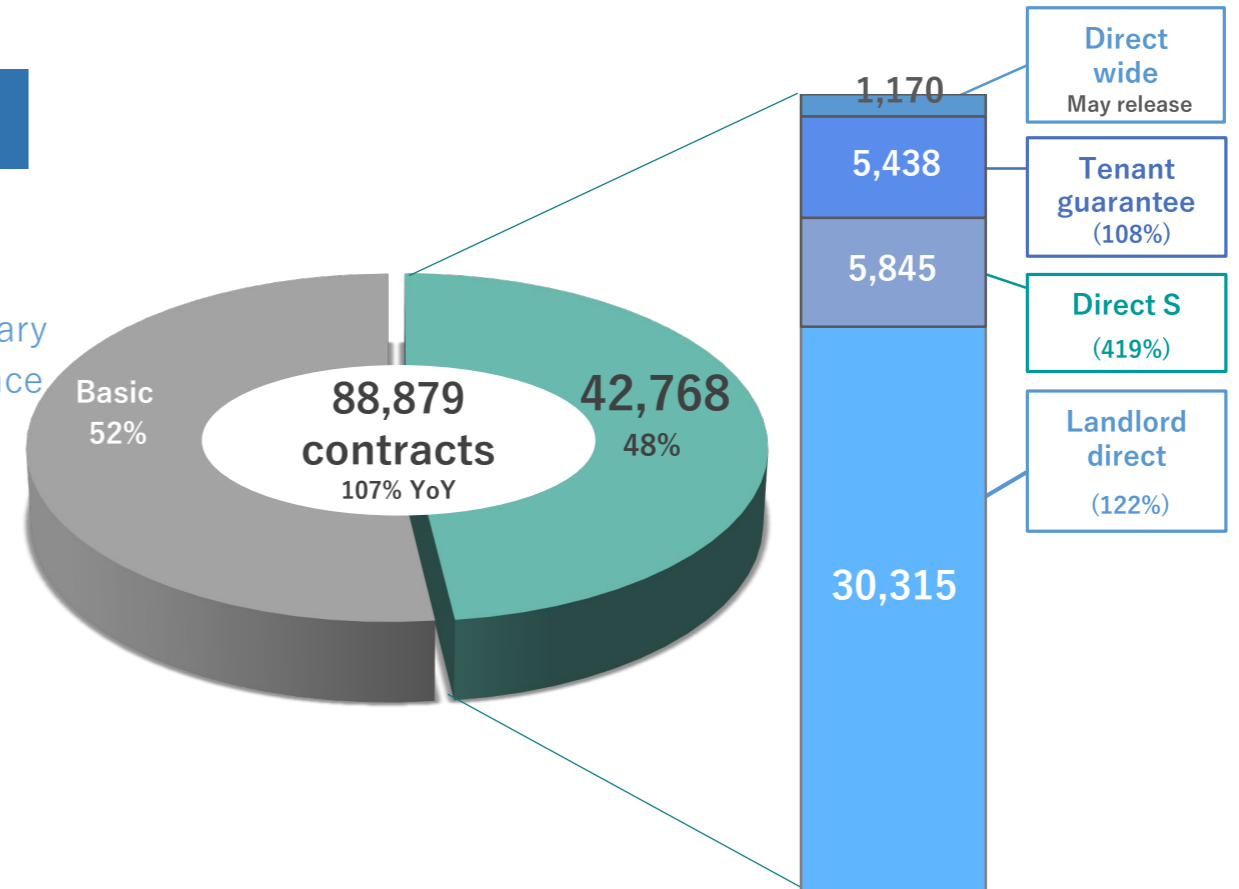
Tenant guarantee

Extensive risk coverage with generous guarantees

Number of contracts by product

Mainstay products performed well

Figures in () are year-over-year

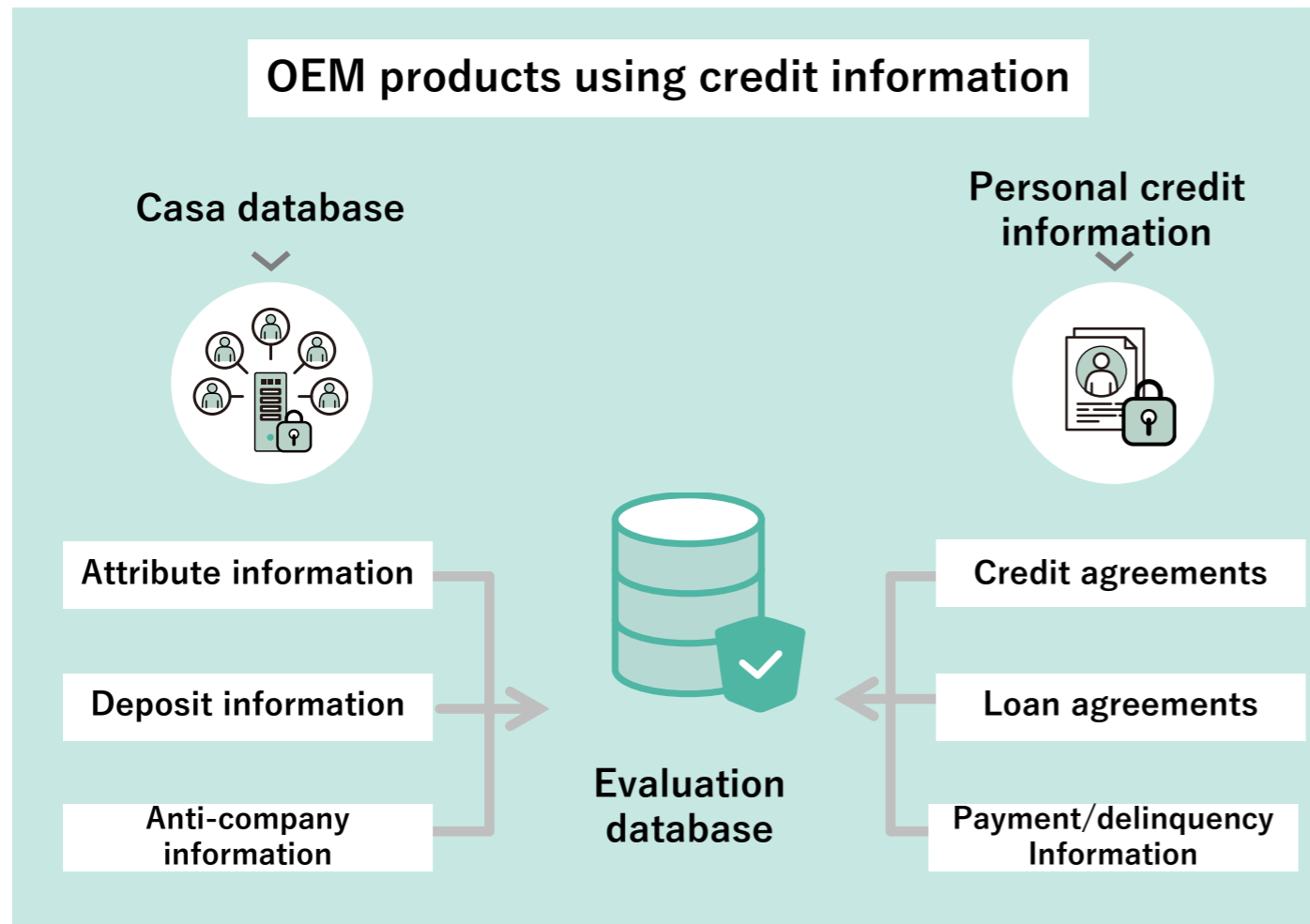




Direct S

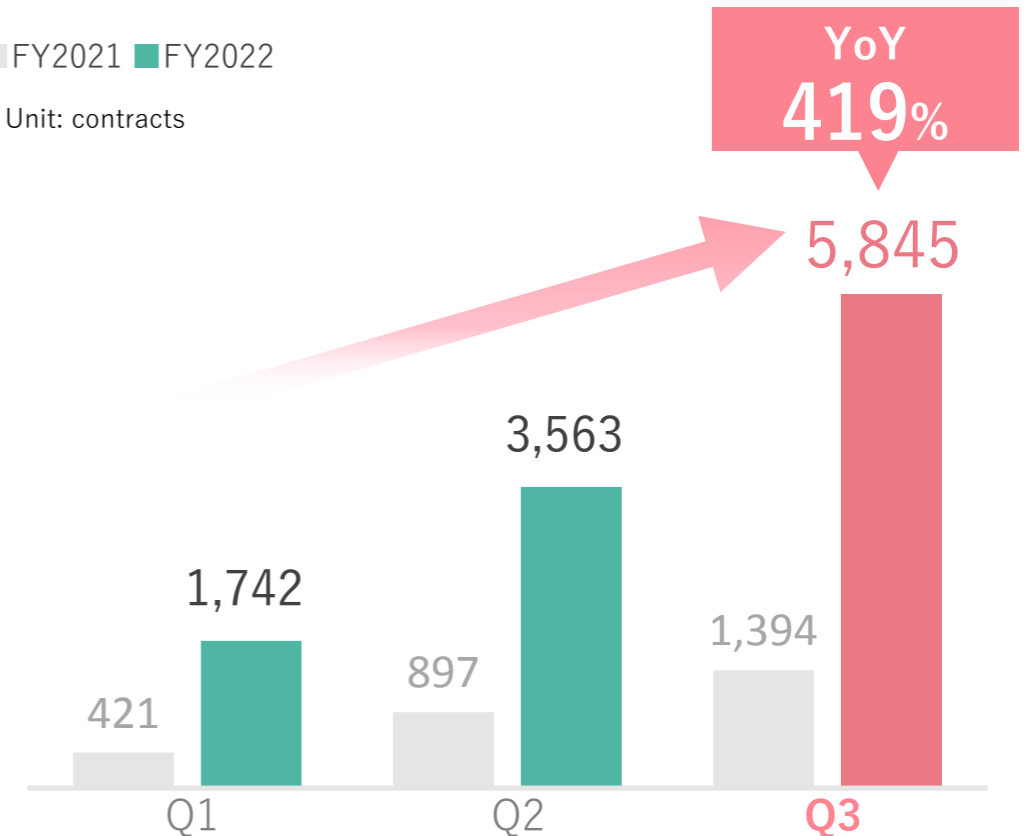
Product concept

Improve screening accuracy by utilizing the Casa database (rent information, payment history) and credit card and loan card transaction information held by personal credit information agencies



Number of contracts (total)

■ FY2021 ■ FY2022
Unit: contracts





Landlord Direct

Product concept

Strong support for rental management with a comprehensive set of services including rent management, guarantee, solitary death insurance, home contents insurance, etc.

Full coverage of risks for property owners

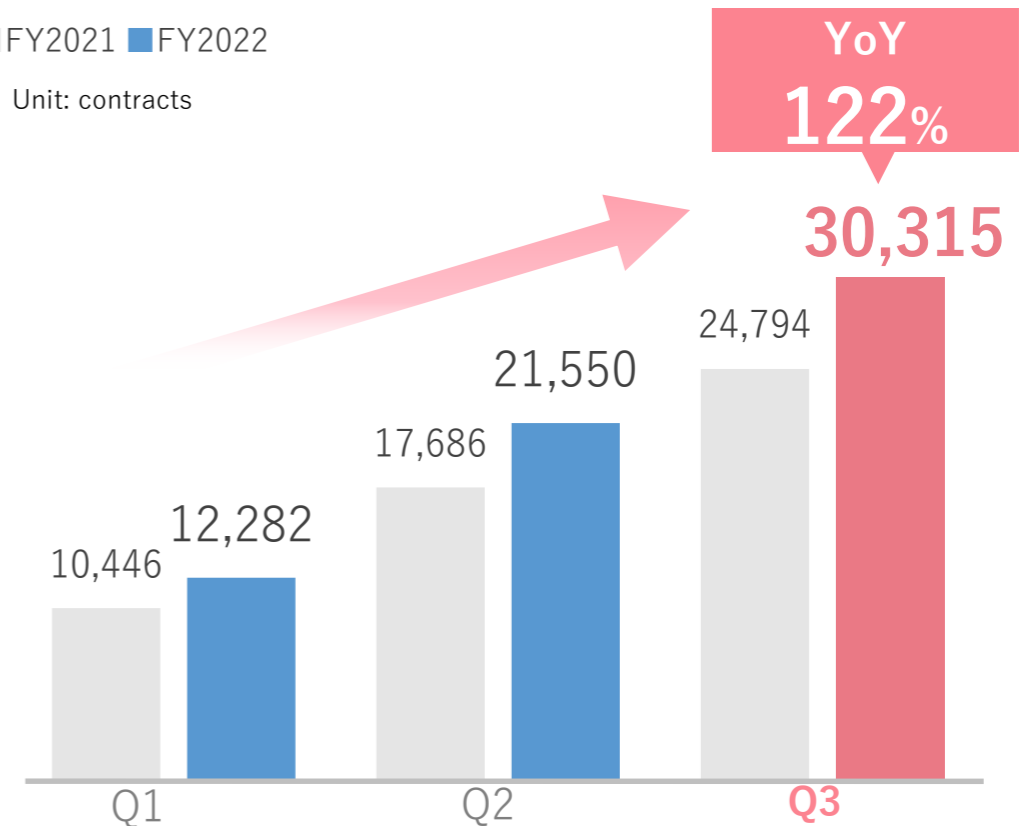
- | | | |
|---|---|--|
| 1 Full payment of rent at collection agency | 2 Comprehensive rent guarantee | 3 Solitary death guarantee is automatic compensation |
| F No need to deal with tenants | 5 No risk of not having household insurance | 6 Increase occupancy rate through tenant recruitment |

Guarantees for risk

- | | | |
|---|---|--|
| Rent Rent paid in full at the end of the previous month | Renewal fee Lease agreement renewal fees | Expenses upon moving out Guarantee the restoration cost will be paid when moving out |
| Early cancellation penalty Guaranteed penalty for early termination | Water and utility costs Guaranteed bills for water, electricity, etc. | |

Number of new contracts

■ FY2021 ■ FY2022
Unit: contracts





Expansion of warranty service



Market situation

Breakdown of rental housing

Number of rental housing units: 19.25 million (estimate) **Management company market 52.4%**
Approx. 10 million units*

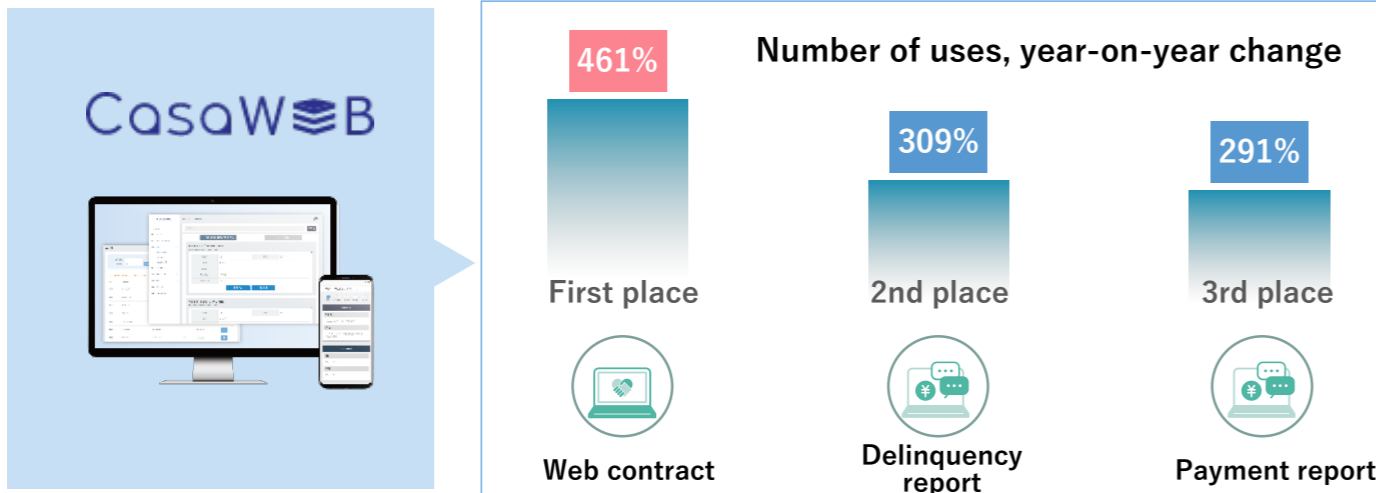
| Large/medium scale | | small scale | |
|--|---------------------------------|---|------------------------|
|  <ul style="list-style-type: none"> ● Expand earnings ● Response speed for screening, etc. ● System linked to in-house management software | |  <ul style="list-style-type: none"> ● New system introduction ● Expansion of warranty coverage ● Operational efficiency | |
| 3,000 companies | Number of real estate companies | | 300,000 companies |
| In-house system | Management software | | package system |
| API linkage | System linkage | | Casa WEB cooperation |
| Direct S | Main product | | Landlord Direct |

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

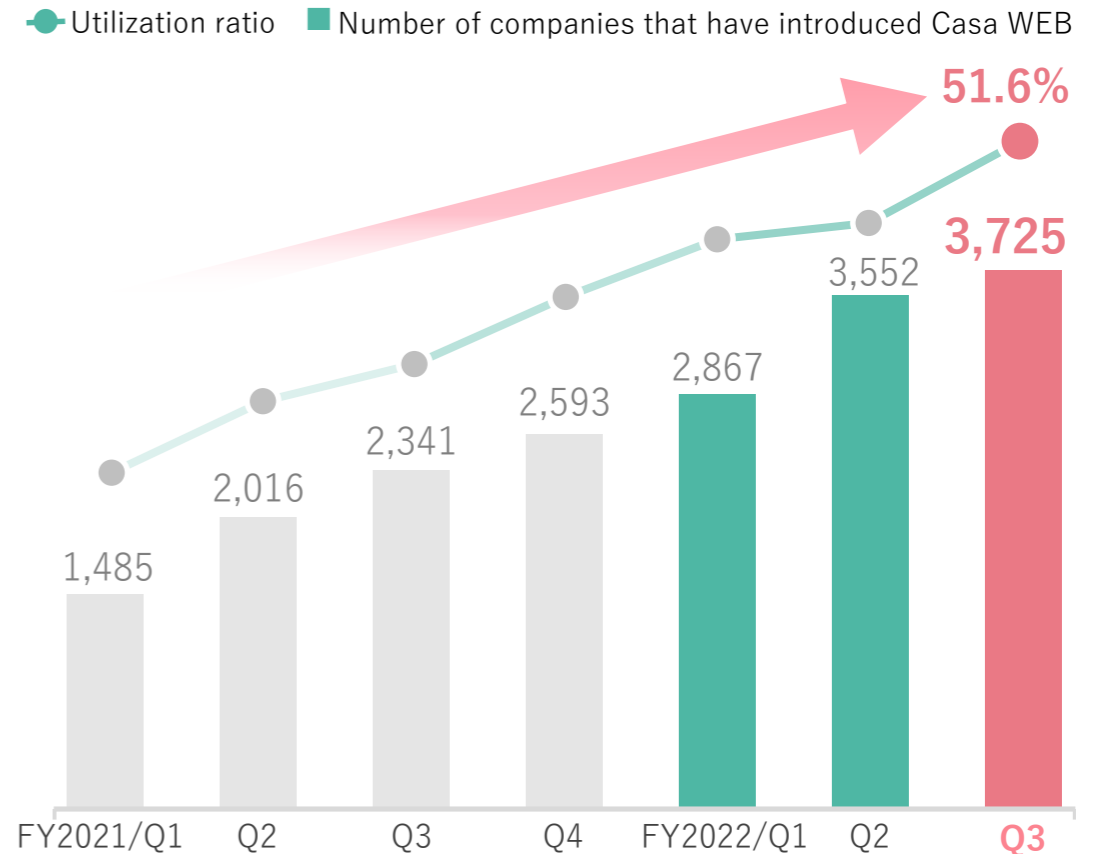


Casa WEB

Reduce operating costs by moving agency operations online



Increased use of Casa WEB



Main partners in real estate transactions

- ITANDI BB+ 申込受付くん
- CREATE 日本情報クリエイト株式会社
- 株式会社 FIS フレックス 少額短期保険
- 申込サポート by suumo7
- Sumai Entry
- アットホーム(株)
- いそら GROUP
- ジャパン少額短期保険株式会社
- リアルプロ REAL NET PRO Co., Ltd.
- 住まい探しはハトマーク
- 東京海上ミレア少額短期保険株式会社



Increase in guarantee needs for commercial properties such as offices and stores triggered by COVID-19

July 2022 release

Real estate owner risk

1 Delinquency risk

Tenant's business is not doing well and payment is in arrears

2 Termination risk

Expensive restoration costs when moving out

3 Bankruptcy risk

Tenant bankruptcy

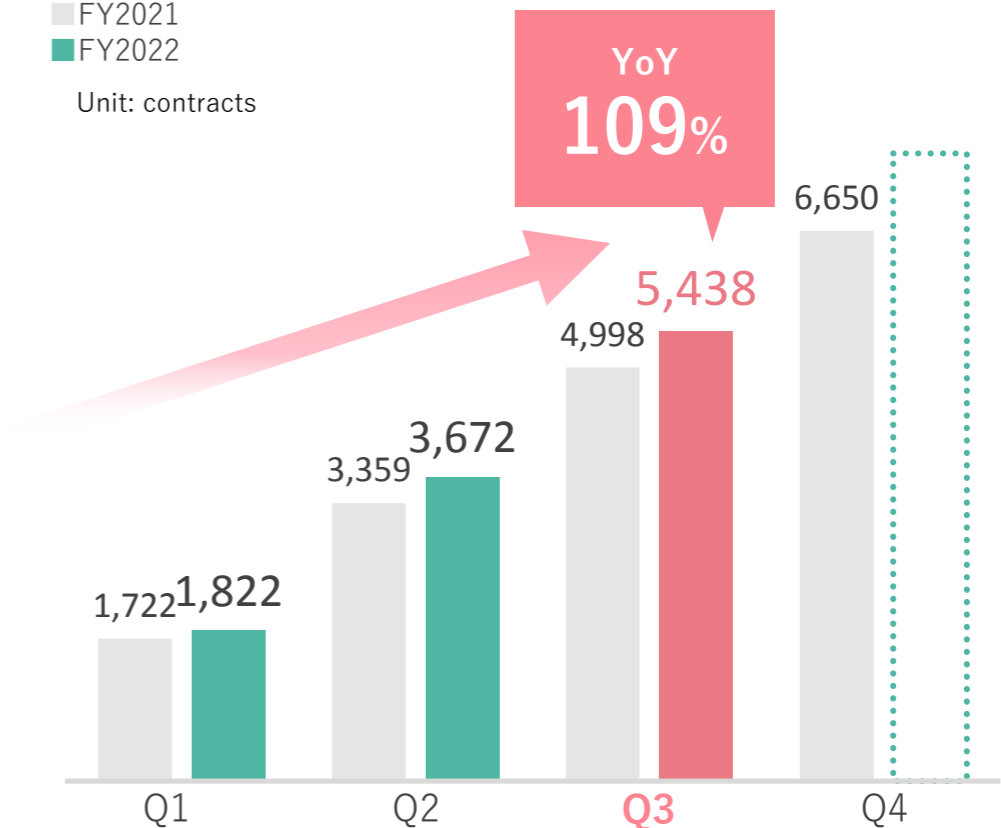
Full guarantee

- Rent, etc.
- Fixed costs (parking lots, signboards, etc.)
- Variable costs (utility costs)
- Renewal fee
- Expenses upon moving out
- Early cancellation penalty
- Rental penalty surcharges
- legal fees

Tenant guarantee contract track record

FY2021
FY2022

Unit: contracts

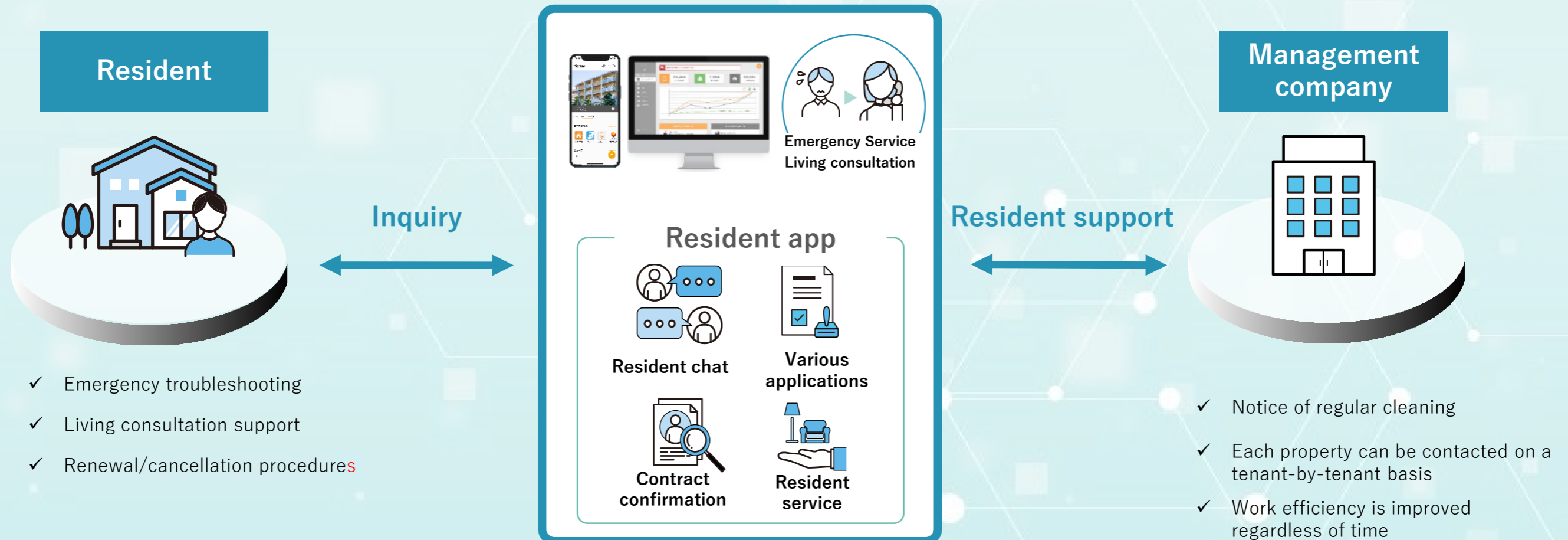


NEW

A communication app that connects tenants and management companies

December 2022 release

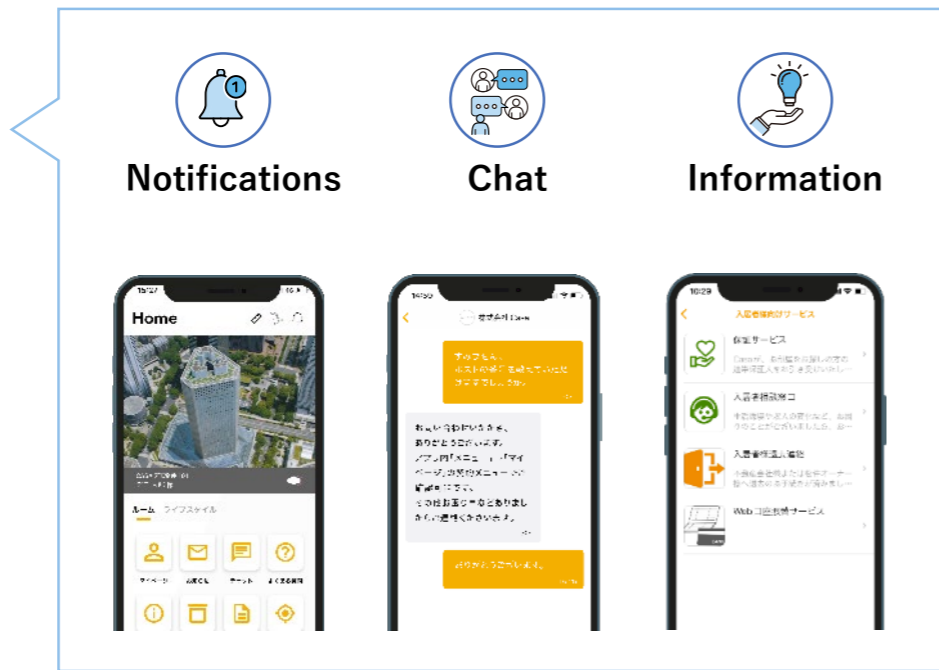
Room Connect (provisional)



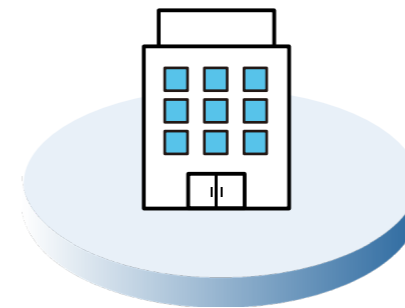


Contributing to the tenant support operations of real estate management companies!

Tenant app Room Connect (provisional)



Management company



Tenant management

- Telephone support
- Complaint handling
- Update information
- Cancellation acceptance

CasaWEB



Contract management

- Web application
- Electronic contract
- Home contents insurance
- Management software linkage

Priority items for growth

Details of efforts

Future plans

Human resources investment

- Strengthen recruitment activities
- Open new stores

- Active recruitment of sales personnel
- Acquisition and development of IT human resources

Expand sales by increasing personnel

- Increase sales personnel in metropolitan areas
- Open stores in new areas

DX promotion

- Improve accuracy of AI scoring
- Expand the DX of guarantees
- Promote the DX of real estate

- Scoring of screening and collection of receivables
- Improve the efficiency of administrative operations (RPA)
- Extension of Casa Web

Securing profits through efficiency

- Improve the accuracy of screening and the collection of receivables
- Construction of business operations compatible with the new system
- Expansion of interconnection with rental management software

service

- Provide added value through alliances
- Expand tenant guarantees
- Provide landlord/tenant app

- Alliances with other industries
- Renewal of commercial products
- Development of owner application

Expansion of business areas through added value

- Expansion of life-related services
- Development of new markets (Sales to owners of commercial facilities and office buildings)
- Expansion of self-management support services

Redefining a **transparent and efficient** real estate industry centered on owners



COMPASS

Rental management platform utilizing IT



Breakdown
of rental
housing



Self-management market
(the target market of COMPASS)

Number of
rental housing units
19.25 million
(estimate)

market

47.6% Approximately 9 million units

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

Average landlord using COMPASS



Number of units owned
8 to 15 units



Average building age 34
years

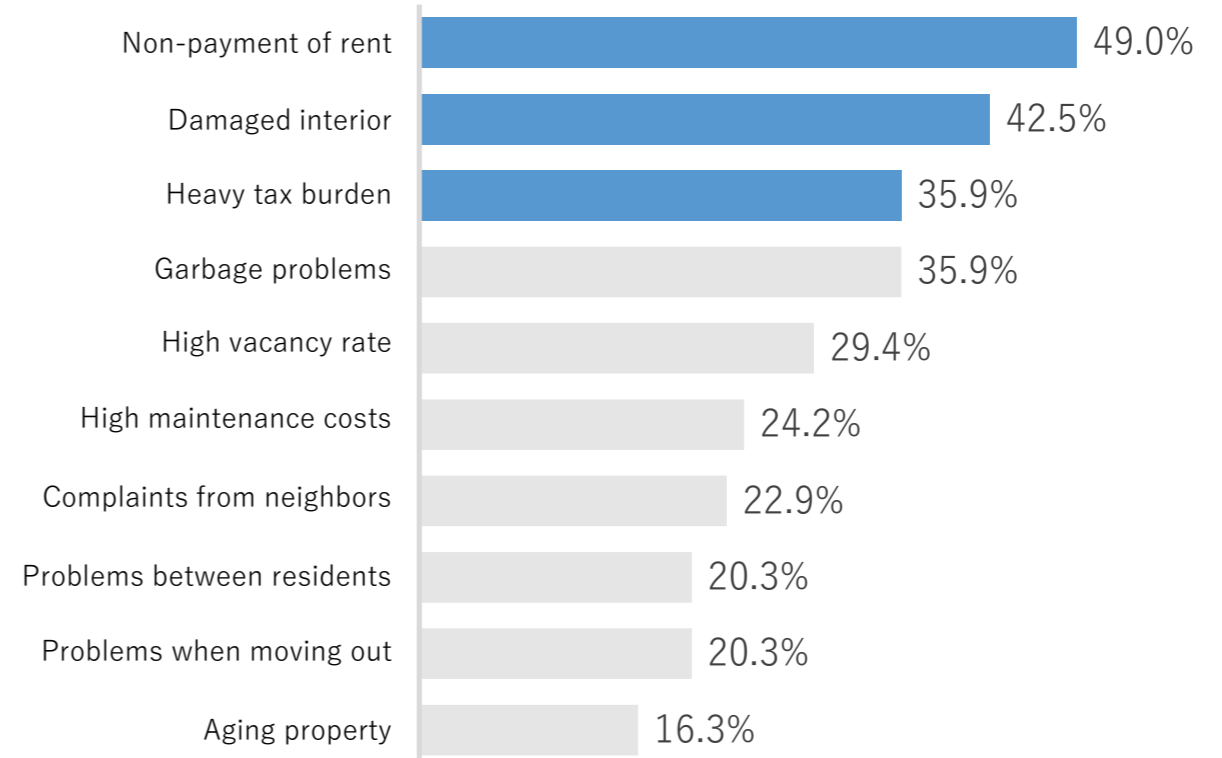


Management method:
Voluntary management

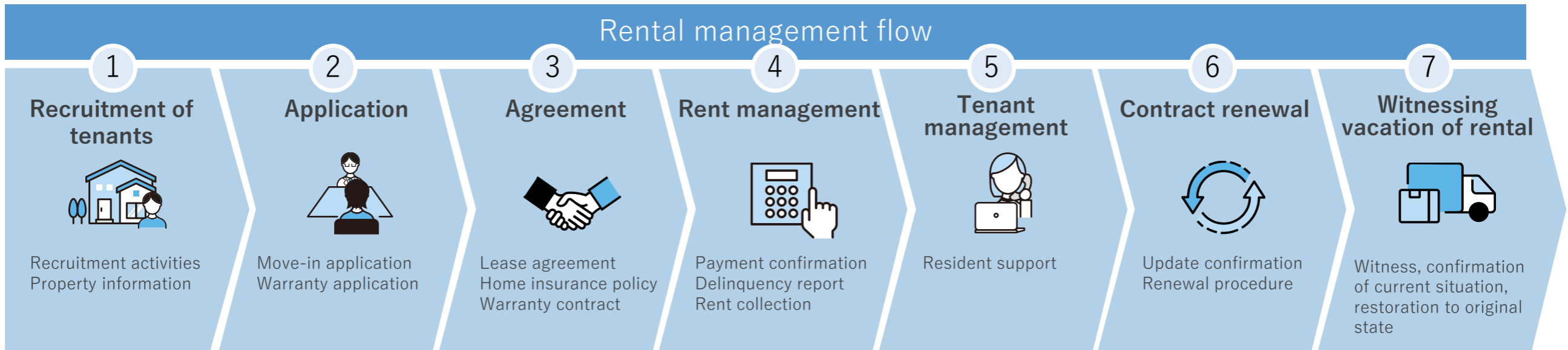


Landlord's age
30s to 50s

Problems in rental management



Thorough support of real estate owners' rental management




Grand Prix for services that create new value in business areas that utilize Ruby and that can be expected to develop in the future

Holding owner seminars



Implementation of joint seminars, etc. with Landlord groups

Owned media



Providing information on rental management secrets, trends, investments, etc.

YouTube channel



Distribute information on rental management

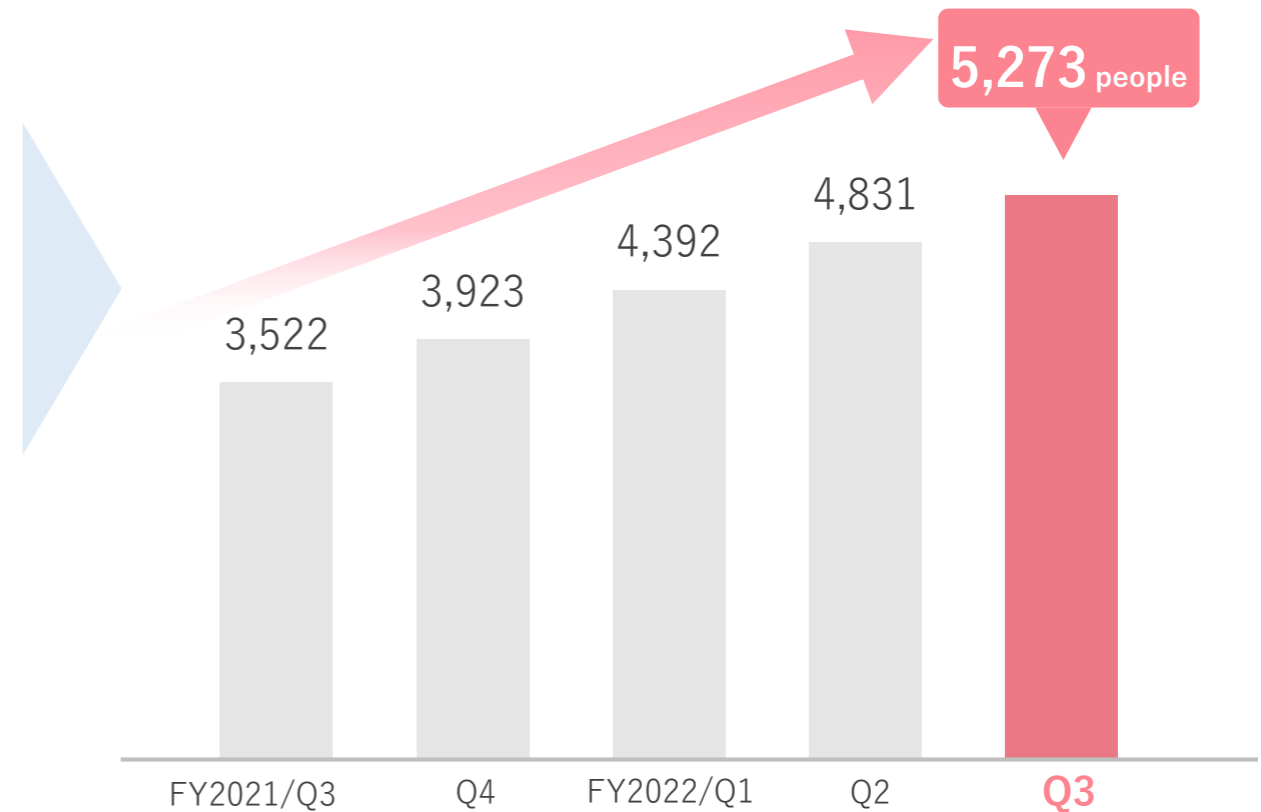
Event



Special lecture by the charismatic owner

Number of landlords acquired

Number of landlords registered to use OwnerWEB



養育費保証

When a child smiles, mom feels at ease
Children feel safe when mom smiles



Growing needs



Revision of the Civil Execution Act

Effective April 1, 2020. A creditor who has a claim for payment of child support backed by a notarial act may also file a petition.



Establishment of the Children and Family Agency

Scheduled to be established on April 1, 2023 to centralize the child-related administrative affairs of the Ministry of Education, Culture, Sports, Science and Technology, the Ministry of Health, Labor and Welfare, the Cabinet Office, the National Police Agency, etc.



Local government support for acquiring government subsidies for children

Expanded to 214 municipalities as of October 2022

- Subsidies for expenses such as the preparation of notarized deeds, etc.
- Subsidies for guarantee fees for child support guarantee

Educational activities related to the knowledge necessary for supporting children



Holding seminars and exchanging information

- Holding seminars with lawyers, FPs, and cooperating organizations



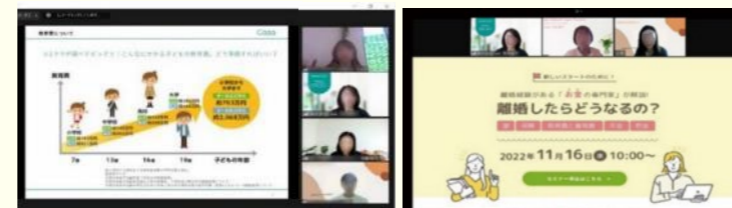
Event holding

- Thank You Campaign
- Parent-child photo event
- Australian zoo tour



Publication in the media

- Published by various media organizations such as newspapers
- Owned media management



Direction to aim for

Support for independent single mothers



Providing peace of mind for the future of children



Expansion of child support guarantees to eliminate non-payment





In the real estate industry, where contracts using fax machines and paper are the mainstream, online DX increases the efficiency of operations.

E 環境
Environment

Reduction of CO₂ by going paperless and collaborating with food bank organizations



Participated in a food bank organization as a sponsor and provided food assistance to residents.

SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Online real estate transactions



Business systematization



Promotion of the DX of real estate

S 社会
Society

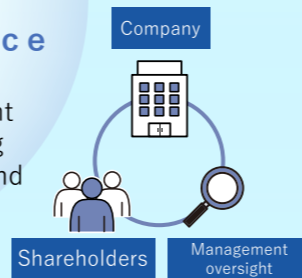
Realization of a safe living environment through rent guarantees and child support guarantees



Maintain a healthy living environment by providing residents, single parents and children with a safe life.

G 統制
Governance

Achieving highly transparent management by complying with laws and regulations and strengthening information management



Strengthen the system by inviting experts and ex-police officers to run the Compliance and Risk Management Committee and provide training.

11 SUSTAINABLE CITIES AND COMMUNITIES



Child support guarantee service

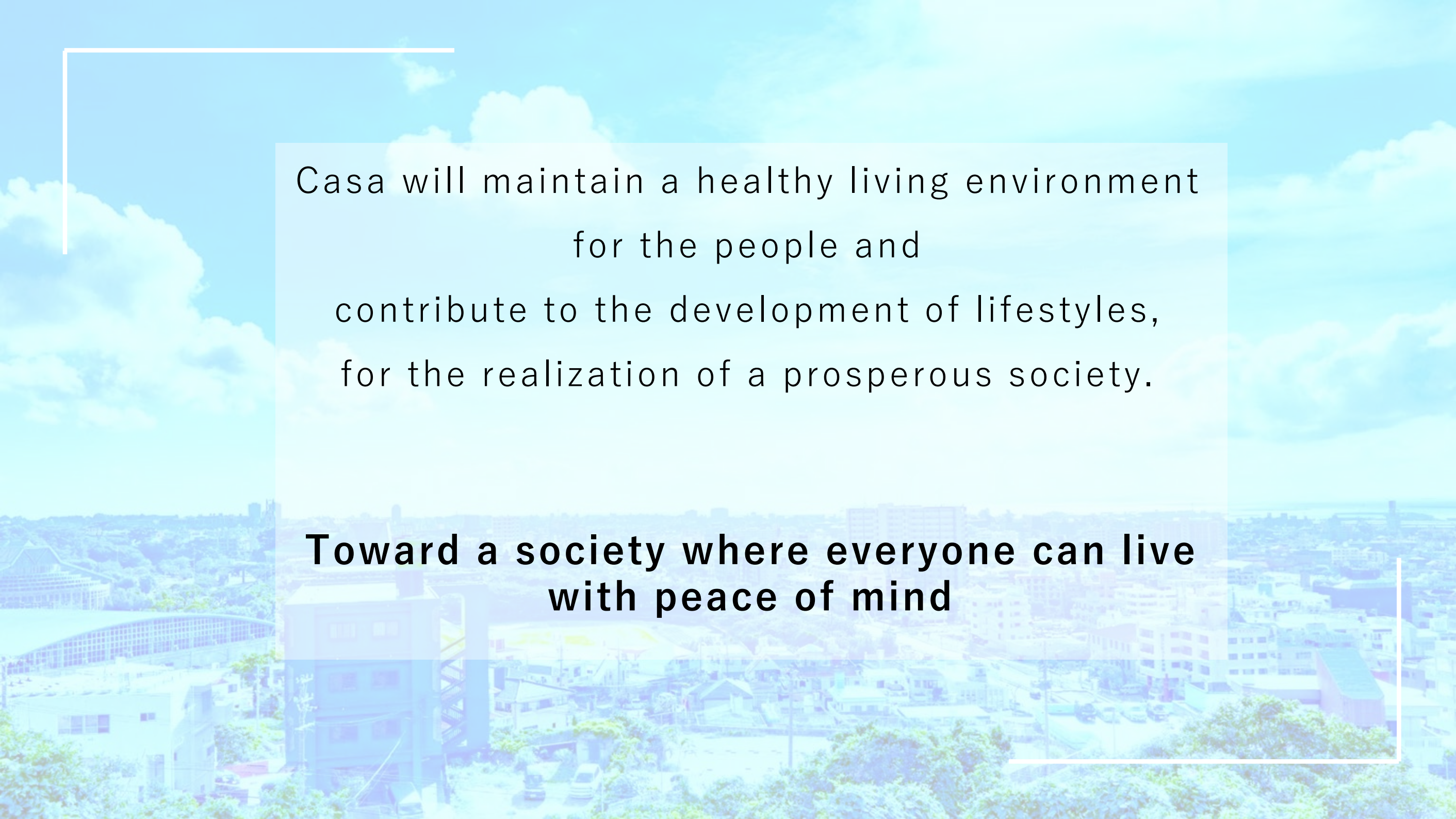


Rent guarantee service



Tenant service



An aerial photograph of a city, likely in Japan, showing a mix of residential and commercial buildings, green spaces, and a large stadium-like structure. The image is overlaid with a semi-transparent white rectangular box containing text. The text is centered and reads: "Casa will maintain a healthy living environment for the people and contribute to the development of lifestyles, for the realization of a prosperous society." The text is in a simple, black, sans-serif font. The background image is slightly faded to make the text stand out.

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

**Toward a society where everyone can live
with peace of mind**

Notes

- In addition to our business and industry trends, this document also discusses our future prospects based on our current plans, estimates and forecasts.
- These forward-looking statements contain various risks and uncertainties.
- Already known or unknown risks, uncertainties and other factors may or may not lead to results that are different than those contained in the forward-looking statements.
- 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 document are made by us based on the information available as of December 8, 2022, and do reflect any future events or circumstances. We do not bear any responsibility to update or change the content of the statements.