

Translation

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## Summary of Consolidated Financial Results for the Year Ended January 31, 2023 (Based on Japanese GAAP)

March 9, 2023

Company name: Casa Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 7196 URL <https://www.casa-inc.co.jp/>  
 Representative: President Seigo Miyaji  
 Inquiries: Director Ichiro Kashima TEL 03-5339-1143  
 Scheduled date of ordinary general meeting of shareholders: April 27, 2023  
 Scheduled date to file Securities Report: April 28, 2023  
 Scheduled date to commence dividend payments: April 28, 2023  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended January 31, 2023 (from February 1, 2022 to January 31, 2023)

#### (1) Consolidated operating results

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	%
Year ended January 31, 2023	10,286	(0.5)	785	(24.3)	895	(21.9)	254	(60.7)
Year ended January 31, 2022	10,340	1.1	1,037	0.5	1,145	5.1	647	6.0

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended January 31, 2023	25.61	24.57	3.7	6.9	7.6
Year ended January 31, 2022	64.90	61.63	9.4	8.7	10.0

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of January 31, 2023	13,225	6,842	51.7	683.61
As of January 31, 2022	12,906	6,983	54.1	694.66

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended January 31, 2023	1,165	(300)	(391)	2,889
Year ended January 31, 2022	728	(1,009)	(480)	2,416

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended January 31, 2022	—	0.00	—	30.00	30.00	301	46.2	4.4
Year ended January 31, 2023	—	0.00	—	30.00	30.00	300	117.1	4.4
Year ending January 31, 2024 (Forecast)	—	0.00	—	30.00	30.00		55.1	

3. Forecast of consolidated financial results for the year ending January 31, 2024 (from February 1, 2023 to January 31, 2024)

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
Six months ending July 31, 2023	5,499	7.8	164	(49.6)	220	(43.2)	105	5.9	10.56
Full year	11,276	9.6	838	6.7	929	3.8	544	113.9	54.45

4. Notes

(1) Changes in significant subsidiaries during the year ended January 31, 2023

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of January 31, 2023	11,300,100 shares	As of January 31, 2022	11,202,700 shares
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Number of treasury shares at the end of the period

As of January 31, 2023	1,294,746 shares	As of January 31, 2022	1,152,746 shares
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Average number of shares during the period

Year ended January 31, 2023	9,945,938 shares	Year ended January 31, 2022	9,976,708 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of January 31, 2022	As of January 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,416,174	2,889,327
Accounts receivable - trade	1,275,383	1,307,258
Right to reimbursement	3,909,847	3,996,187
Accounts receivable - other	676,420	789,759
Other	156,469	157,878
Allowance for doubtful accounts	(2,825,813)	(2,805,045)
<b>Total current assets</b>	<b>5,608,483</b>	<b>6,335,366</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	89,527	89,527
Accumulated depreciation	(64,653)	(69,161)
Buildings and structures, net	24,874	20,366
Leased assets	6,930	6,930
Accumulated depreciation	(3,465)	(4,851)
Leased assets, net	3,465	2,079
Other	140,908	143,297
Accumulated depreciation	(101,849)	(118,939)
Other, net	39,059	24,358
<b>Total property, plant and equipment</b>	<b>67,398</b>	<b>46,803</b>
<b>Intangible assets</b>		
Goodwill	3,179,643	2,793,610
Software	136,771	139,792
Software in progress	725,111	881,140
Other	5,441	4,546
<b>Total intangible assets</b>	<b>4,046,966</b>	<b>3,819,090</b>
<b>Investments and other assets</b>		
Investment securities	584,167	472,647
Long-term loans receivable	240	–
Deferred tax assets	2,408,009	2,352,722
Other	191,627	198,715
<b>Total investments and other assets</b>	<b>3,184,044</b>	<b>3,024,084</b>
<b>Total non-current assets</b>	<b>7,298,409</b>	<b>6,889,978</b>
<b>Total assets</b>	<b>12,906,892</b>	<b>13,225,345</b>

(Thousands of yen)

	As of January 31, 2022	As of January 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Current portion of long-term borrowings	12,000	12,000
Lease liabilities	1,524	1,143
Income taxes payable	85,877	78,849
Advances received	4,466,657	–
Contract liabilities	–	4,751,299
Deposits received	722,962	881,716
Provision for bonuses	130,095	84,216
Provision for loss on guarantees	122,708	145,843
Other	334,027	394,021
<b>Total current liabilities</b>	<b>5,875,851</b>	<b>6,349,089</b>
<b>Non-current liabilities</b>		
Long-term borrowings	45,000	33,000
Lease liabilities	2,286	1,143
<b>Total non-current liabilities</b>	<b>47,286</b>	<b>34,143</b>
<b>Total liabilities</b>	<b>5,923,138</b>	<b>6,383,233</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,582,142	1,595,188
Capital surplus	1,582,142	1,595,188
Retained earnings	5,200,798	5,151,000
Treasury shares	(1,350,347)	(1,439,203)
<b>Total shareholders' equity</b>	<b>7,014,736</b>	<b>6,902,173</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	(33,483)	(62,385)
<b>Total accumulated other comprehensive income</b>	<b>(33,483)</b>	<b>(62,385)</b>
Share acquisition rights	2,500	2,324
<b>Total net assets</b>	<b>6,983,753</b>	<b>6,842,111</b>
<b>Total liabilities and net assets</b>	<b>12,906,892</b>	<b>13,225,345</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended January 31, 2022	Fiscal year ended January 31, 2023
Net sales	10,340,983	10,286,065
Cost of sales	4,333,864	4,439,413
Gross profit	6,007,119	5,846,652
Selling, general and administrative expenses	4,970,008	5,061,045
Operating profit	1,037,111	785,606
Non-operating income		
Interest income	152	67
Dividend income	7,230	7,701
Recoveries of written off receivables	69,385	86,754
Subsidy income	3,300	4,033
Other	36,263	21,711
Total non-operating income	116,331	120,269
Non-operating expenses		
Interest expenses	120	426
Commission expenses	2,999	2,749
Special survey costs	4,512	–
Loss on extinguishment of stock compensation expense	–	7,512
Total non-operating expenses	7,633	10,689
Ordinary profit	1,145,809	895,186
Extraordinary income		
Gain on reversal of share acquisition rights	–	56
Total extraordinary income	–	56
Extraordinary losses		
Impairment losses	31,312	125,542
Loss on valuation of investment securities	–	173,318
Total extraordinary losses	31,312	298,860
Profit before income taxes	1,114,497	596,381
Income taxes - current	458,500	286,356
Income taxes - deferred	8,517	55,286
Total income taxes	467,017	341,643
Profit	647,479	254,738
Profit attributable to owners of parent	647,479	254,738

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended January 31, 2022	Fiscal year ended January 31, 2023
Profit	647,479	254,738
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,465)	(28,902)
Total other comprehensive income	(1,465)	(28,902)
Comprehensive income	646,013	225,836
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	646,013	225,836

## Consolidated statements of changes in equity

Fiscal year ended January 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,567,053	1,567,053	4,857,376	(1,150,415)	6,841,068
Changes during period					
Issuance of new shares - exercise of share acquisition rights	15,089	15,089			30,178
Dividends of surplus			(304,057)		(304,057)
Profit attributable to owners of parent			647,479		647,479
Purchase of treasury shares				(199,932)	(199,932)
Net changes in items other than shareholders' equity					
Total changes during period	15,089	15,089	343,421	(199,932)	173,667
Balance at end of period	1,582,142	1,582,142	5,200,798	(1,350,347)	7,014,736

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	(32,017)	(32,017)	2,679	6,811,730
Changes during period				
Issuance of new shares - exercise of share acquisition rights				30,178
Dividends of surplus				(304,057)
Profit attributable to owners of parent				647,479
Purchase of treasury shares				(199,932)
Net changes in items other than shareholders' equity	(1,465)	(1,465)	(178)	(1,644)
Total changes during period	(1,465)	(1,465)	(178)	172,023
Balance at end of period	(33,483)	(33,483)	2,500	6,983,753

Fiscal year ended January 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,582,142	1,582,142	5,200,798	(1,350,347)	7,014,736
Changes during period					
Issuance of new shares - exercise of share acquisition rights	13,045	13,045			26,090
Dividends of surplus			(301,498)		(301,498)
Profit attributable to owners of parent			254,738		254,738
Purchase of treasury shares				(99,968)	(99,968)
Disposal of treasury shares			(3,038)	11,113	8,075
Net changes in items other than shareholders' equity					
Total changes during period	13,045	13,045	(49,798)	(88,855)	(112,563)
Balance at end of period	1,595,188	1,595,188	5,151,000	(1,439,203)	6,902,173

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	(33,483)	(33,483)	2,500	6,983,753
Changes during period				
Issuance of new shares - exercise of share acquisition rights				26,090
Dividends of surplus				(301,498)
Profit attributable to owners of parent				254,738
Purchase of treasury shares				(99,968)
Disposal of treasury shares				8,075
Net changes in items other than shareholders' equity	(28,902)	(28,902)	(176)	(29,078)
Total changes during period	(28,902)	(28,902)	(176)	(141,641)
Balance at end of period	(62,385)	(62,385)	2,324	6,842,111



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended January 31, 2022	Fiscal year ended January 31, 2023
Cash flows from operating activities		
Profit before income taxes	1,114,497	596,381
Depreciation	70,309	70,267
Impairment losses	31,312	125,542
Amortization of goodwill	268,434	274,967
Increase (decrease) in provision for bonuses	3,490	(45,879)
Increase (decrease) in provision for loss on guarantees	(12,687)	23,134
Increase (decrease) in allowance for doubtful accounts	330,428	(20,767)
Loss (gain) on valuation of investment securities	–	173,318
Interest and dividend income	(7,382)	(7,768)
Interest expenses	120	426
Decrease (increase) in trade receivables	(14,129)	(31,874)
Decrease (increase) in right to reimbursement	18,124	(86,339)
Decrease (increase) in accounts receivable - other	107,552	(114,338)
Increase (decrease) in advances received	(284,987)	–
Increase (decrease) in contract liabilities	–	284,642
Other, net	(40,821)	210,436
Subtotal	1,584,260	1,452,149
Interest and dividends received	6,192	6,583
Interest paid	(156)	(418)
Income taxes paid	(861,532)	(293,063)
Net cash provided by (used in) operating activities	728,763	1,165,250
Cash flows from investing activities		
Purchase of property, plant and equipment	(28,339)	(1,297)
Purchase of intangible assets	(423,708)	(201,150)
Purchase of investment securities	(487,704)	(90,700)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(69,114)	–
Other, net	(862)	(7,562)
Net cash provided by (used in) investing activities	(1,009,728)	(300,710)
Cash flows from financing activities		
Repayments of long-term borrowings	(3,000)	(12,000)
Repayments of lease liabilities	(1,720)	(1,524)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	30,000	25,969
Purchase of treasury shares	(200,432)	(100,218)
Dividends paid	(302,738)	(301,112)
Other, net	(2,499)	(2,499)
Net cash provided by (used in) financing activities	(480,392)	(391,386)
Net increase (decrease) in cash and cash equivalents	(761,356)	473,153
Cash and cash equivalents at beginning of period	3,177,530	2,416,174
Cash and cash equivalents at end of period	2,416,174	2,889,327