

FY 4/2020 (ending April 2020) 1Q Financial Results



September 5, 2019
RACCOON HOLDINGS, Inc.
Code: 3031 TSE1

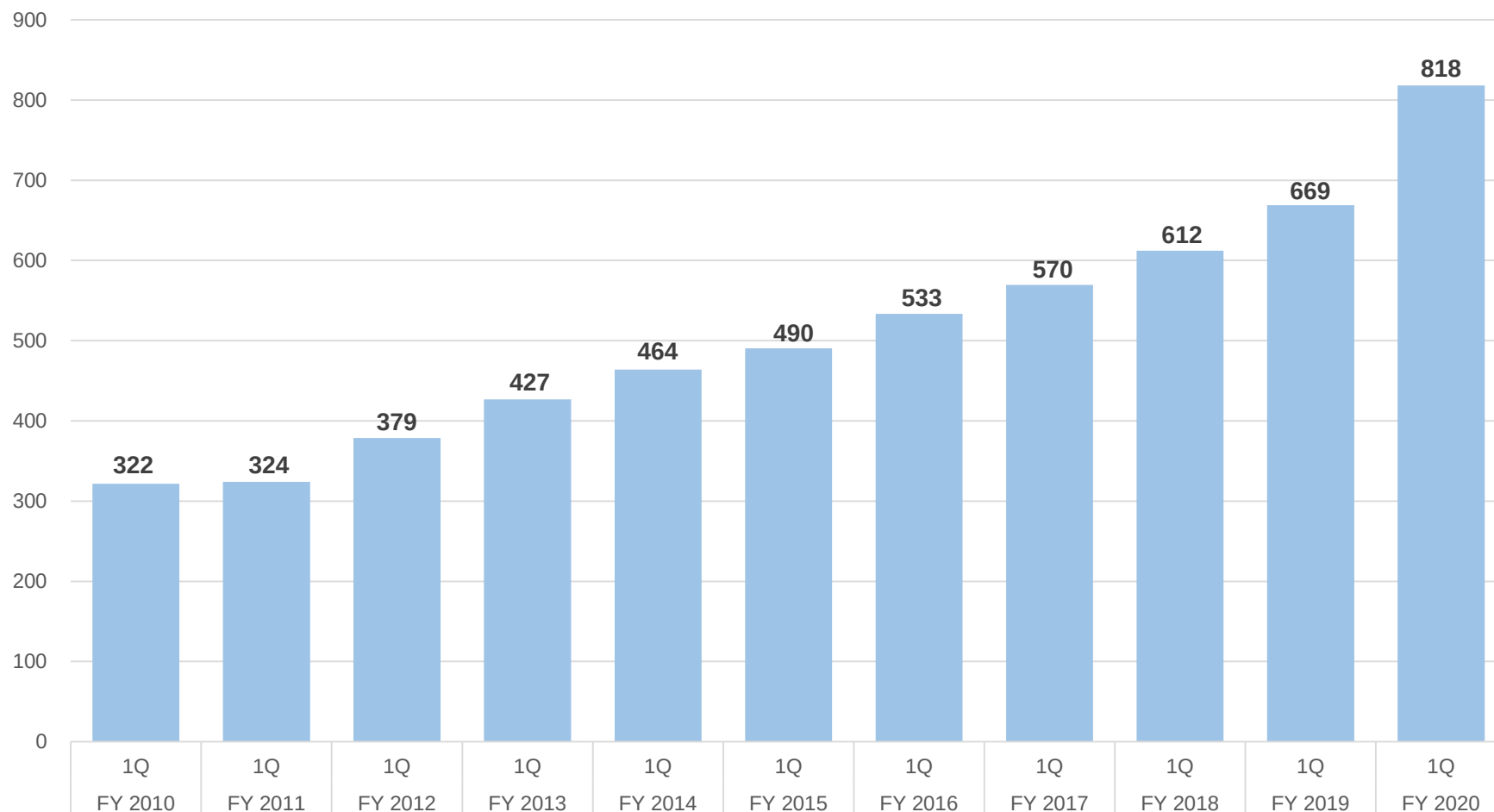
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Actual decisions and financial results in the future may differ.

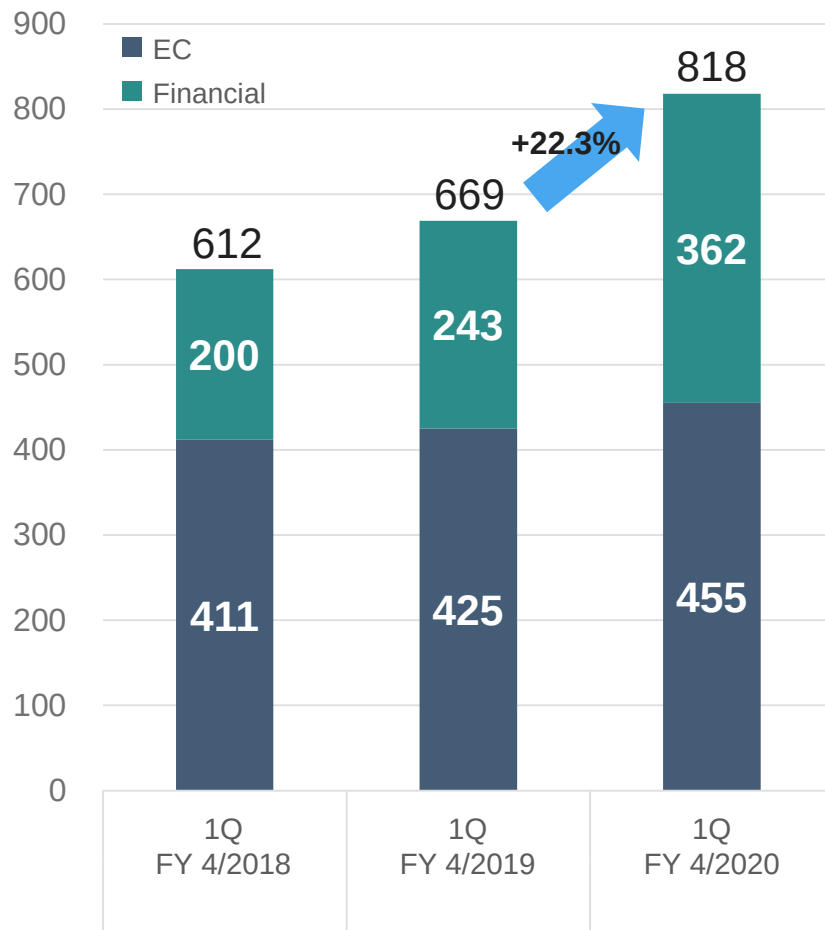
Growth rate of sales increased, resulting in an increase in sales of 22.3% year on year

(Unit: Million Yen)



Increase in sales for the financial business accounts for 80% of the increase, leading the entire group in terms of growth in sales

(Unit: Million Yen)

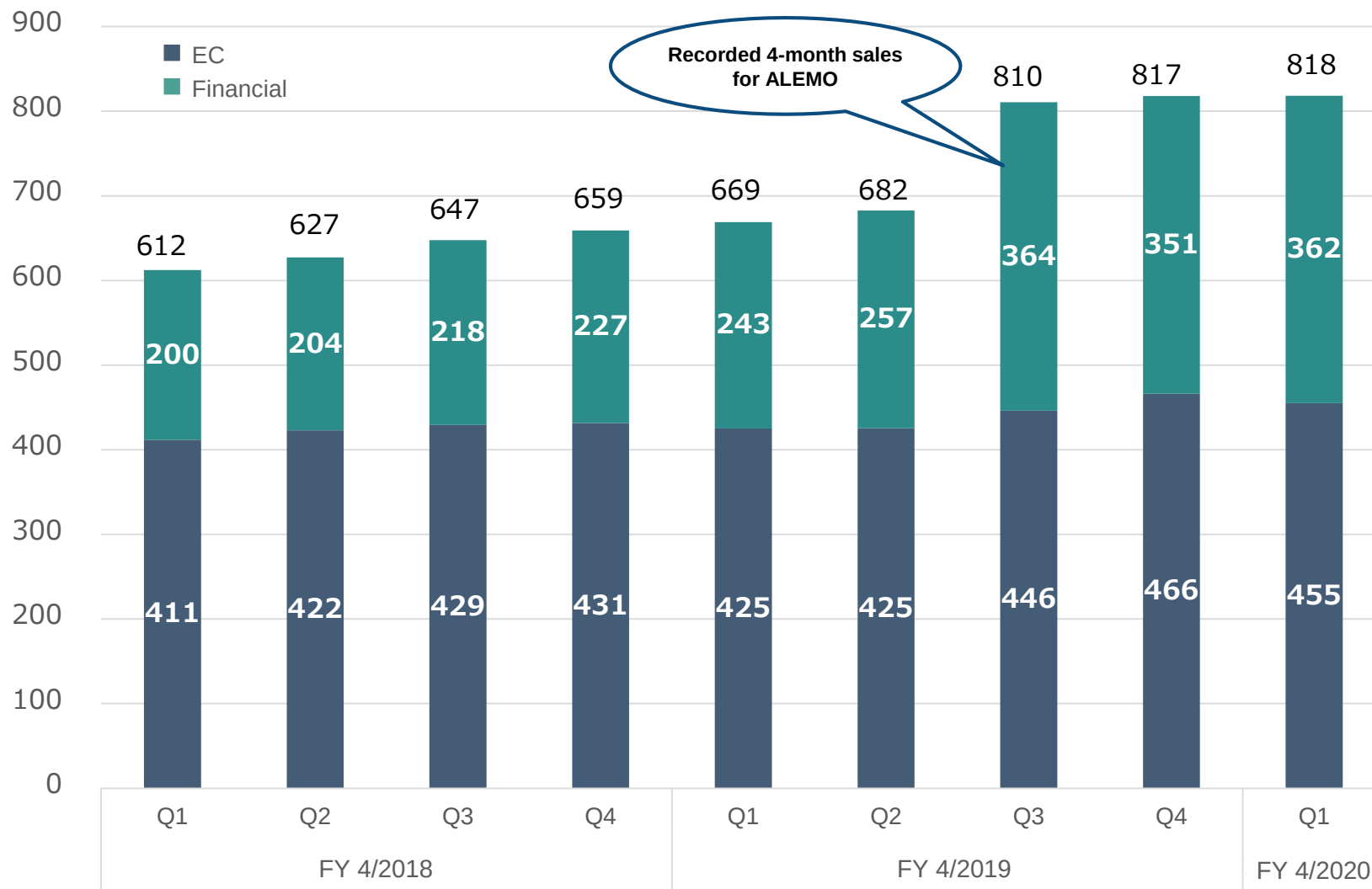


	YoY	YoY
EC	+7.1%	+30 million yen
Financial	+48.8%	+119 million yen

- Growth rate in EC business also increased!
Up 3.9% from 3.2% to 7.1%
 - Consolidated net sales increased by 11.7% year on year even when excluding sales for AMELO
- Each service grew steadily

Trends in Consolidated Net Sales by Quarter

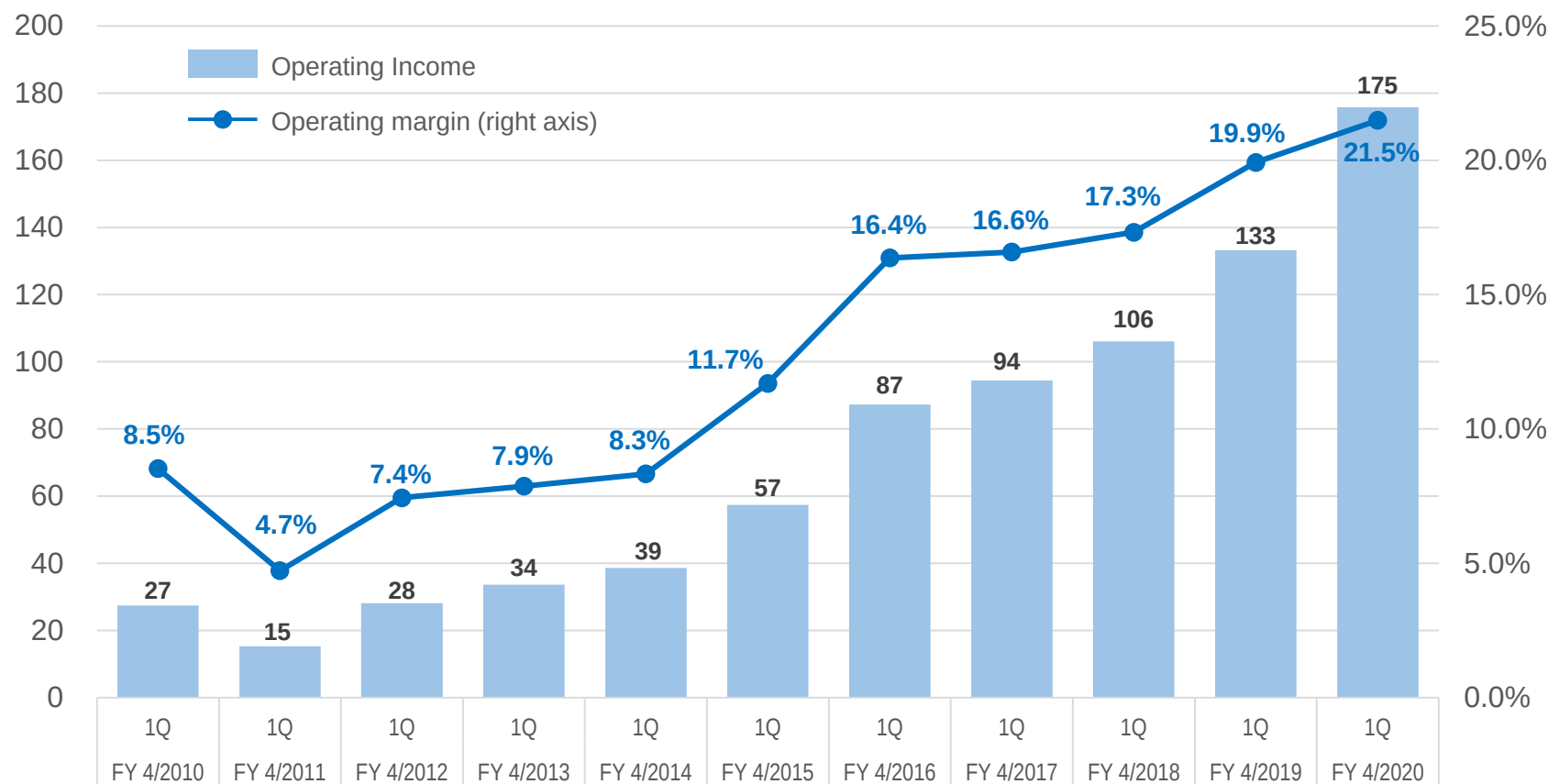
(Unit: Million Yen)



Operating margin exceeded 20%!

Improvement in operating margin as well as increase in operating income accelerated

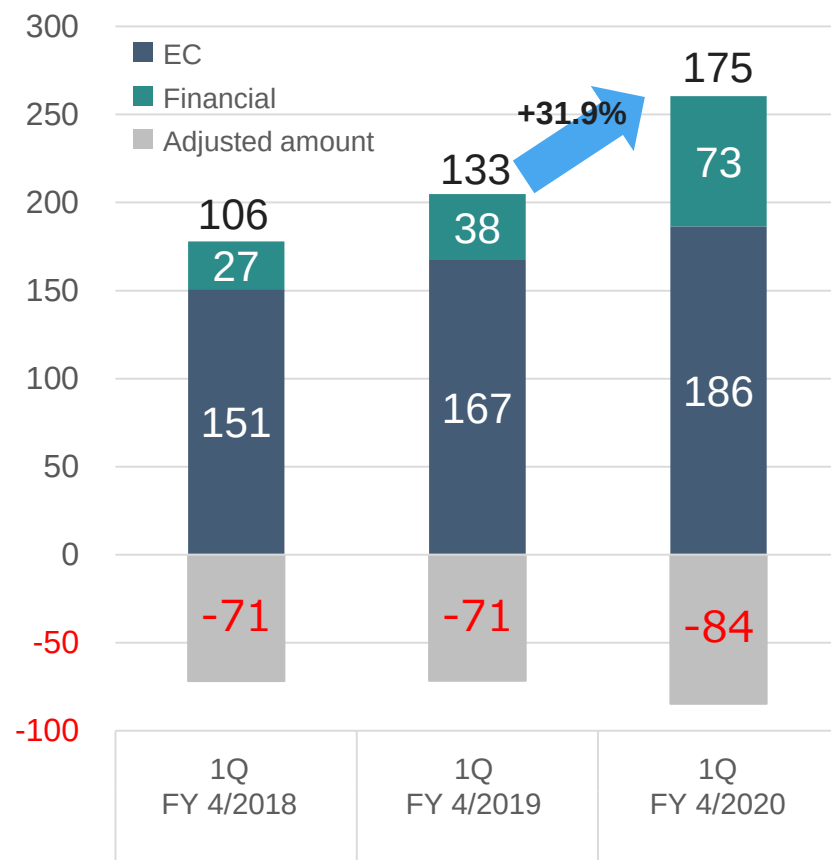
(Unit: Million Yen)



Although advertising expenses increased, expenses were reduced as a whole

Operating income increased by 31.9% partially due to the effect of the reduction of cost of sales

(Unit: Million Yen)



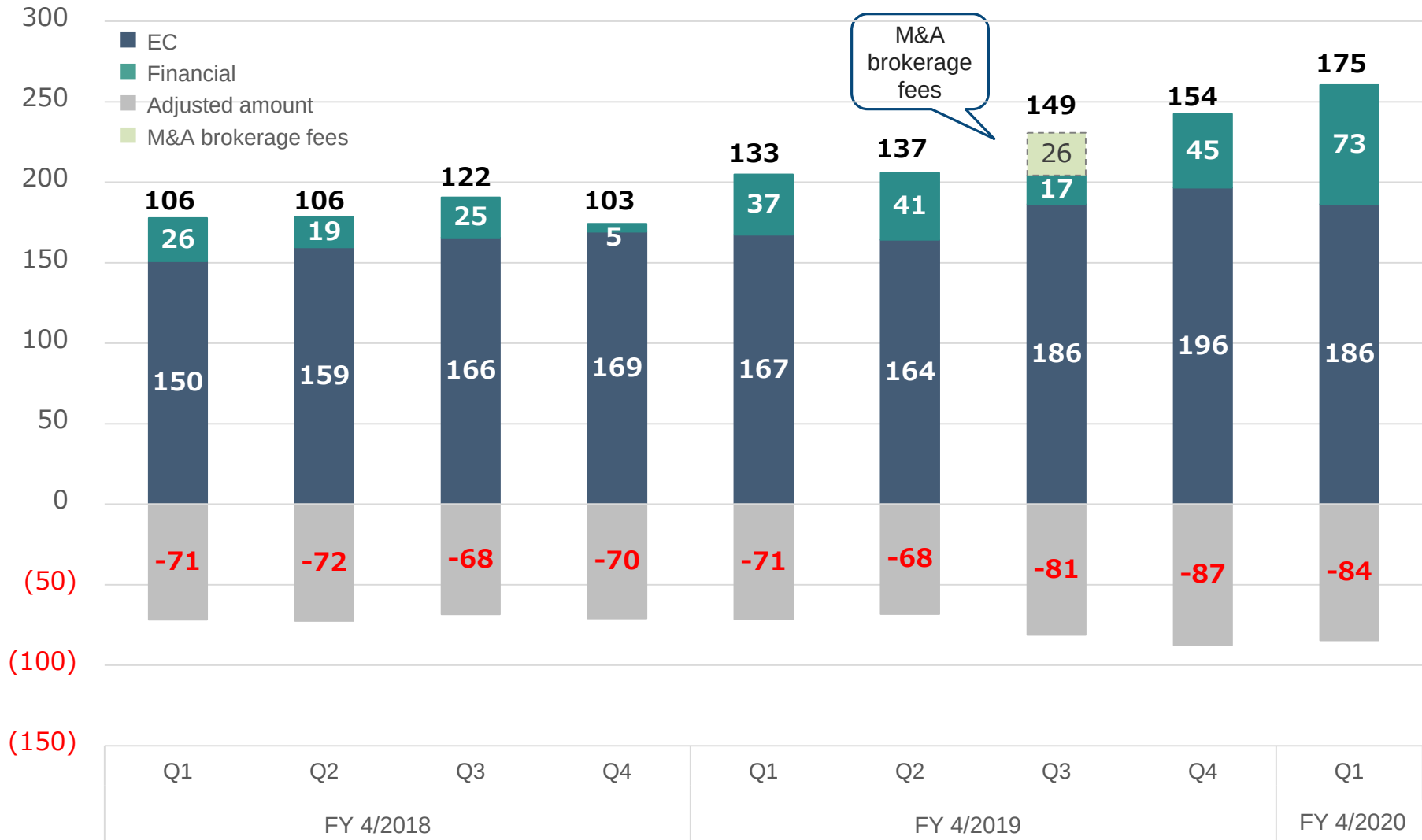
	YoY	YoY
EC	+11.4%	+19 million yen
Financial	+97.1%	+36 million yen

- Advertising expenses increased due to the increase in advertising investment (YoY 16 million yen increase)
- Amortization of goodwill increased due to the impact of the acquisition of shares of ALEMO conducted in the previous period
- Depreciation increased with the acquisition of own building. Land rent was reduced significantly.
- Cost of sales was reduced as a result of the revision of reserves due to the decrease in default rate in the financial business
→ Operating income increased significantly

Trends in Consolidated Operating Income by Quarter



(Unit: Million Yen)



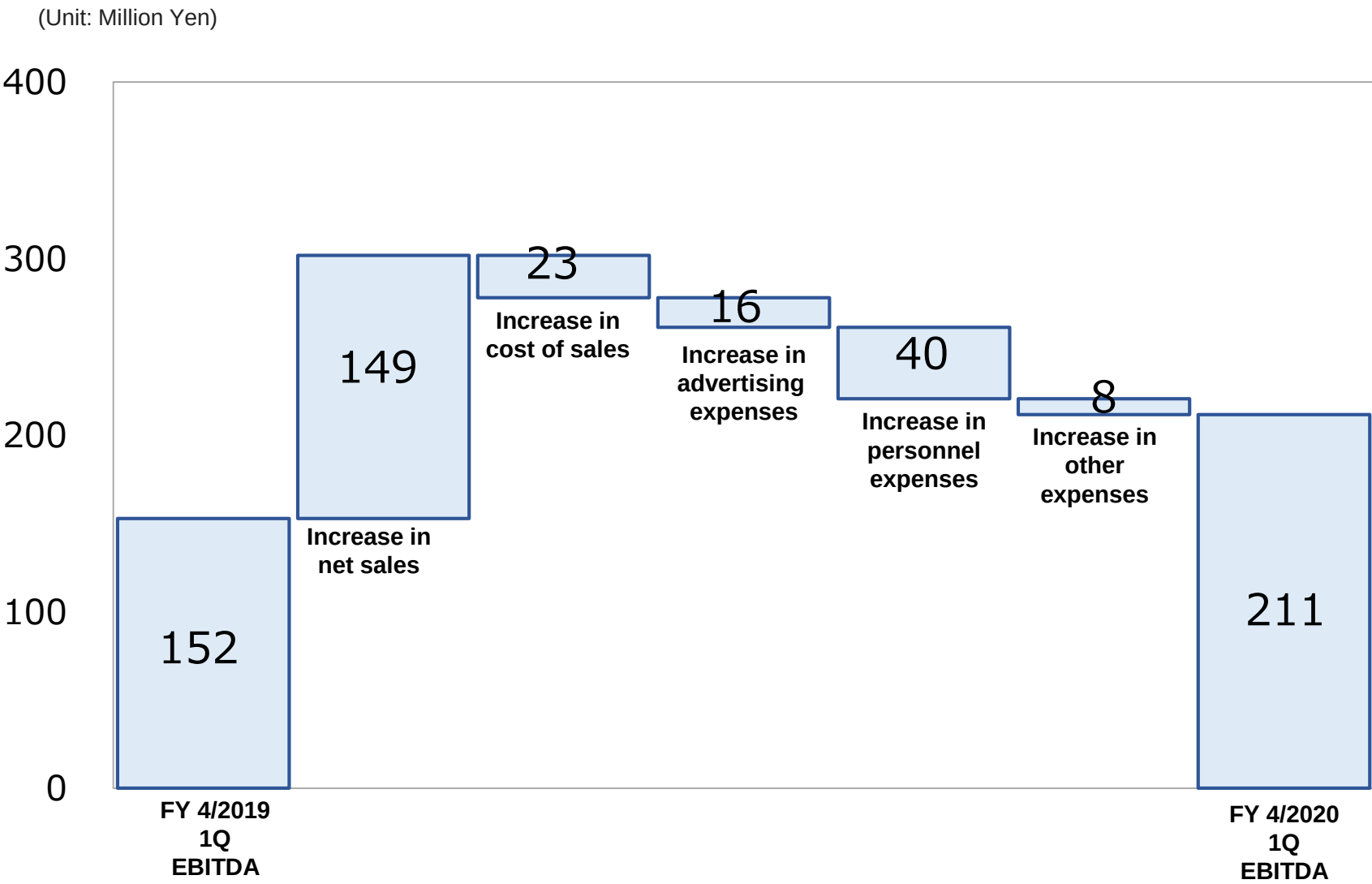
(Unit: Million Yen)

	FY 4/2020 1Q Results	FY 4/2019 1Q Results	YoY	Estimation	Progress Rate
Net sales	818	669	+22.3%	3,450	23.7%
Gross profit	671	548	+22.5%	—	—
Selling, general and administrative expenses	495	414	+19.5%	—	—
— Advertising and sales promotion expenses	61	44	+37.6%	—	—
EBITDA	211	152	+38.6%	810	26.1%
Operating income	175	133	+31.9%	670	26.2%
Operating margin	21.5%	19.9%	+1.6pt	19.4%	—
Ordinary income	175	133	+31.4%	670	26.2%
Net income attributable to owners of parent	111	90	+23.9%	425	26.3%

Trends in Business Performance (quarterly basis)

(Unit: Million Yen)

	FY 4/2019				FY 4/2020
	1Q	2Q	3Q	4Q	1Q
Net sales	669	682	810	817	818
Gross profit	548	553	642	625	671
Selling, general and administrative expenses	414	415	519	470	495
— Advertising and sales promotion expenses	44	46	57	58	61
Operating income	133	137	123	154	175
Operating margin	19.9%	20.2%	15.2%	18.9%	21.5%
Ordinary income	133	133	121	156	175
Net income attributable to owners of parent	90	92	55	141	111



(Unit: Million Yen)

	FY 4/2020 1Q	FY 4/2019	Difference	Compared with the end of the previous quarter
Current Assets	6,054	6,493	-438	93.2%
Non-current assets	2,317	2,354	-37	98.4%
— Property, plant and equipment	1,478	1,485	-7	99.5%
— Intangible assets	515	522	-7	98.6%
— Investments and other assets	323	346	-23	93.3%
Current liabilities	4,325	4,729	-403	91.5%
Non-current liabilities	1,346	1,420	-74	94.8%
Net assets	2,699	2,697	1	100.1%
Total assets	8,371	8,848	-476	94.6%

Summary by Segment

EC Business

Segment Sales: **455** million yen YoY: **7.1%** increase

Segment Profit: **186** million yen YoY: **11.4%** increase

-
- Started “Catalogue Plan” enabling posting companies to exhibit products for free (May)
 - To start advertisement for posting companies to attract such companies with the start of catalogue plan
 - Comprehensive business partnership with Adways (June)
 - Constructed a scheme to sell products on Chinese EC malls
 - Started handling Western liquor (July)
 - To expand the transaction value of business operators with an aim to provide food and beverages at domestic stores

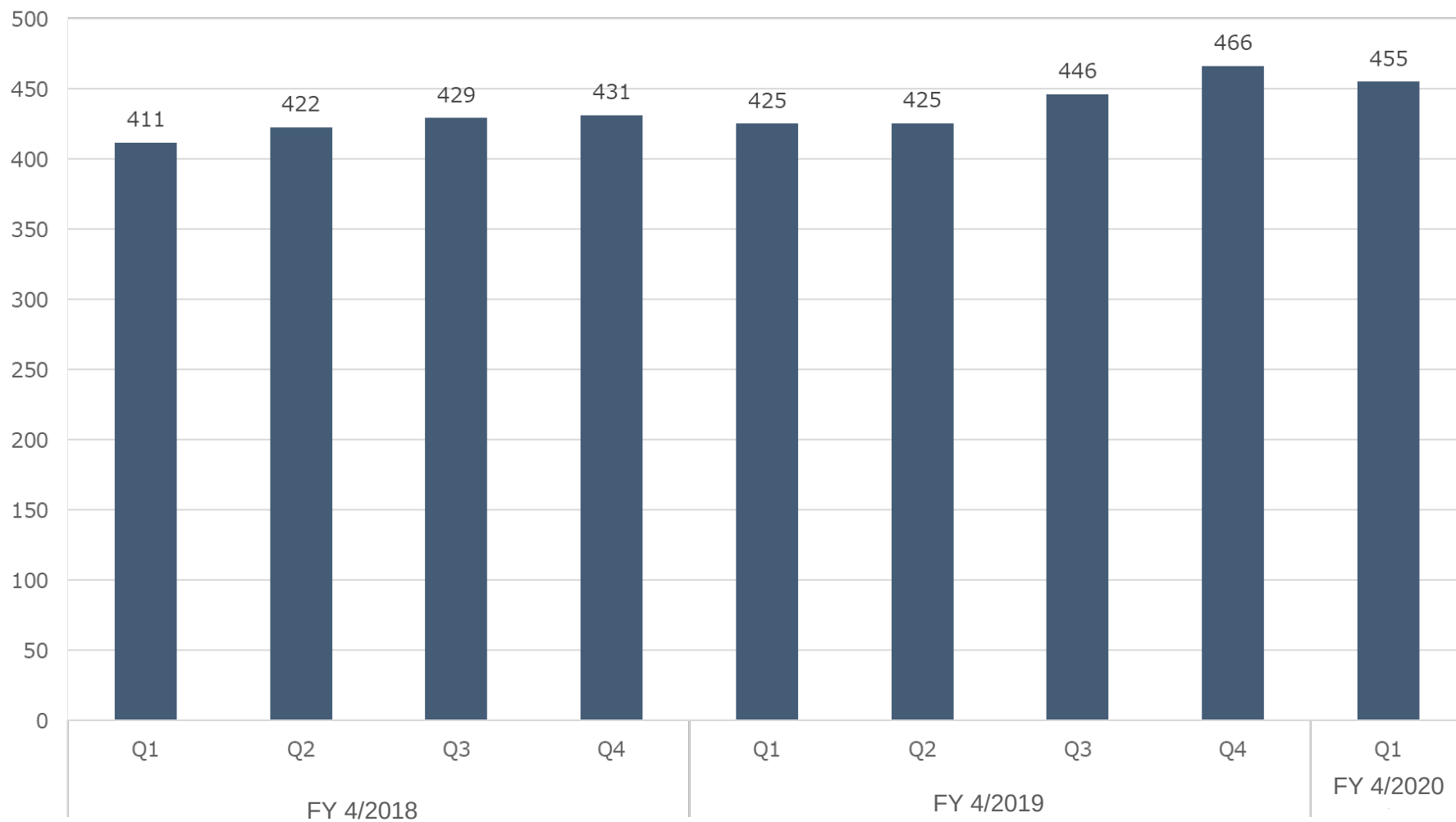
Domestic transaction value → YoY 5.6% increase

Overseas transaction value → YoY 31.5% increase

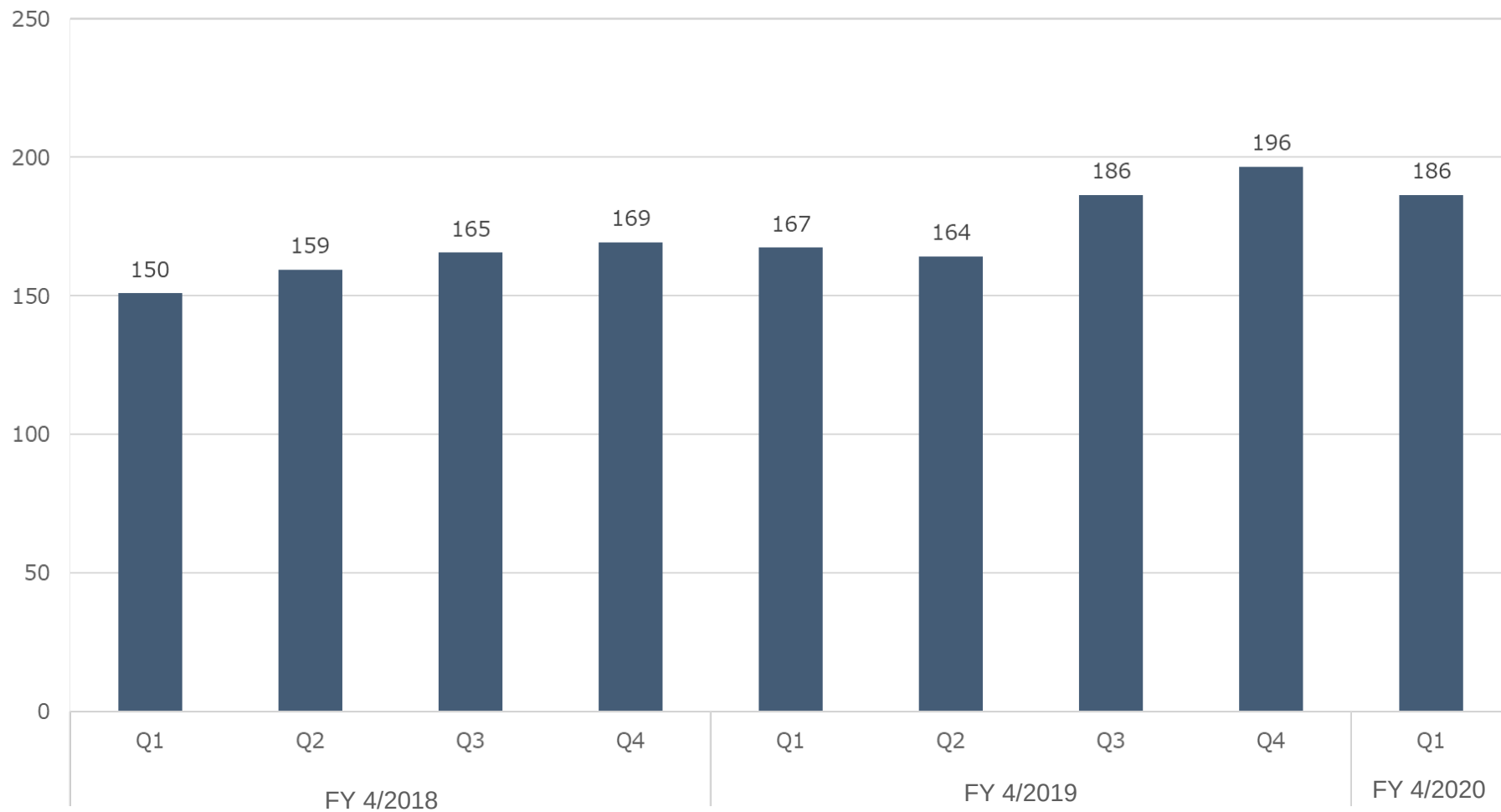


Total transaction value: 2,927,620 thousand yen (YoY 9.5% increase)

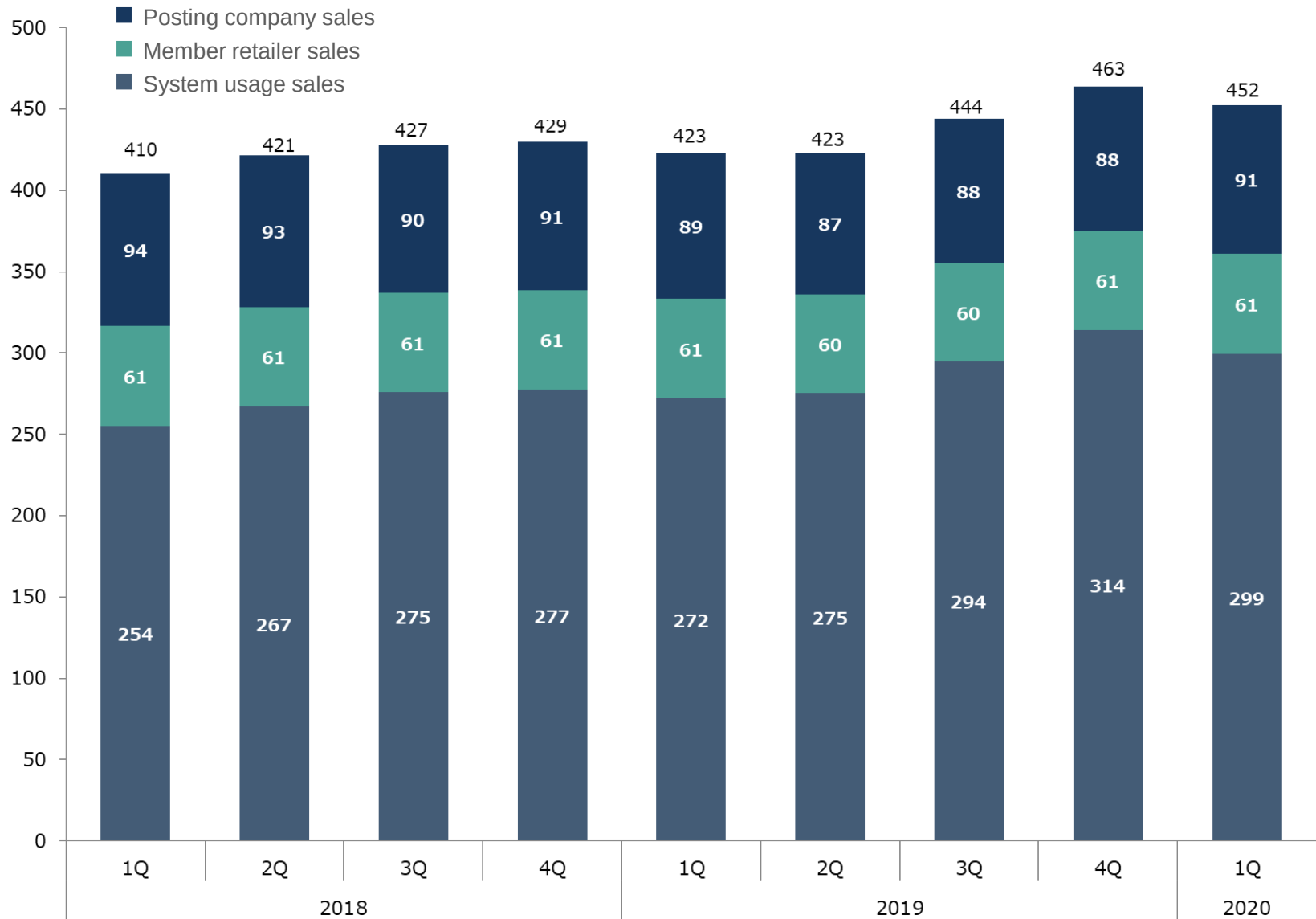
(Unit: Million Yen)

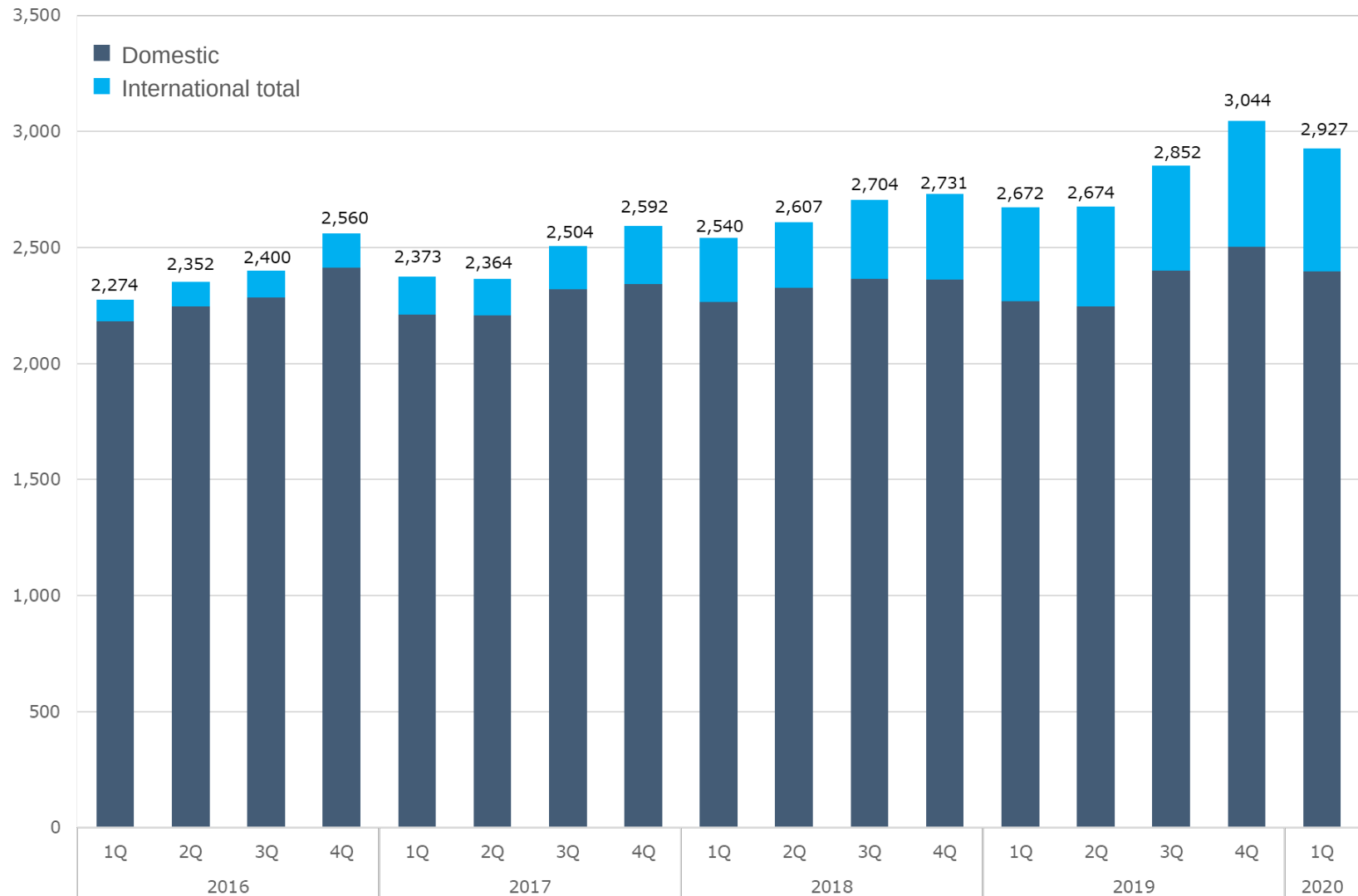


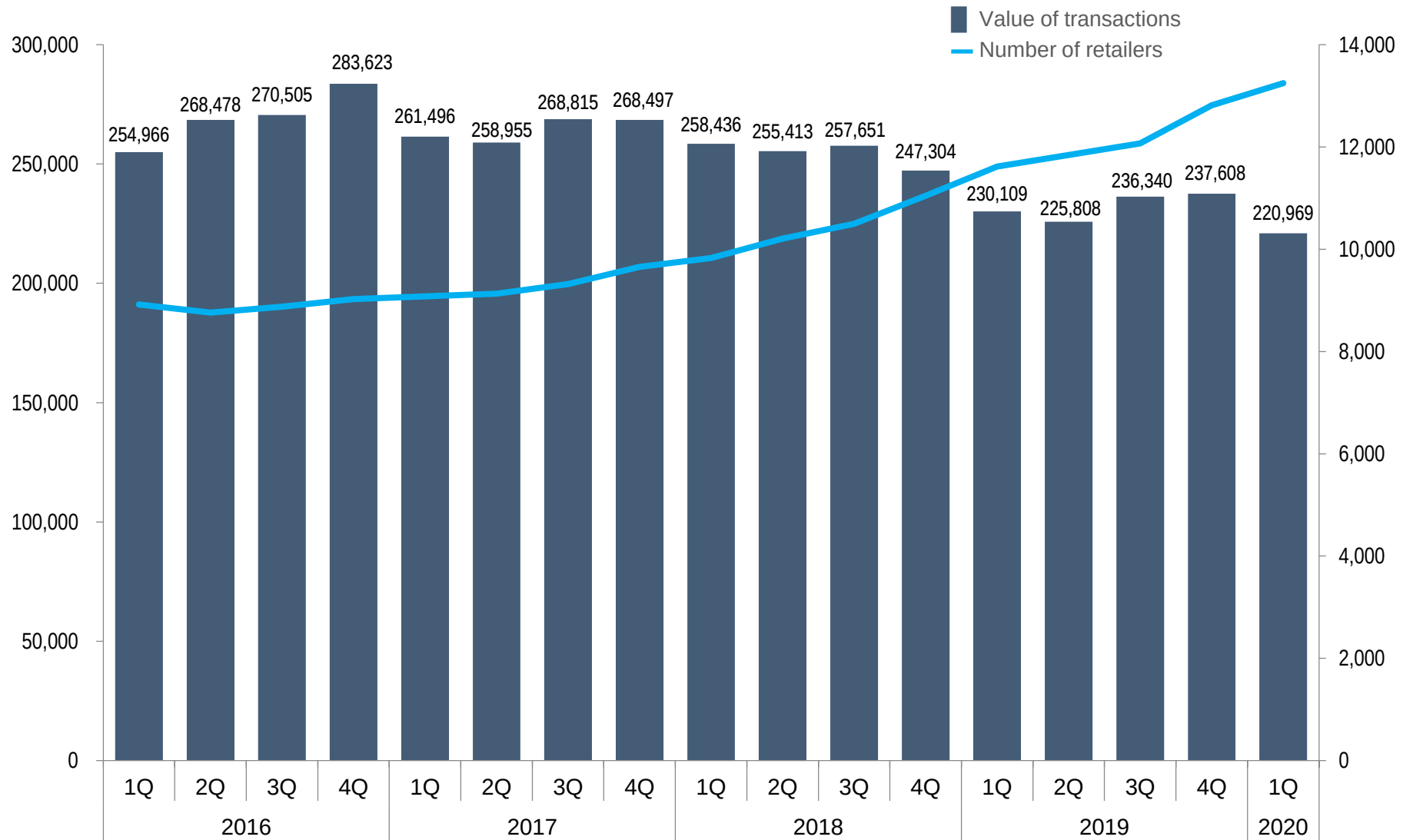
(Unit: Million Yen)



(Unit: Million Yen)





Value of transactions
(Unit: Yen)No. of buying customers
(Unit: Store)

Financial Business

Segment Sales: **406** million yen YoY: **41.8%** increase

Segment Profit: **73** million yen YoY: **97.1%** increase

- Sales increased year on year in services other than rent guarantee service for businesses

 Trust & Growth
売掛保証 +12.5%

 **URIHO** +106.4%

ra((oon 事業用
FINANCIAL 家賃保証 -11.4%

 **Païd** +30.5% (excluding internal sales)

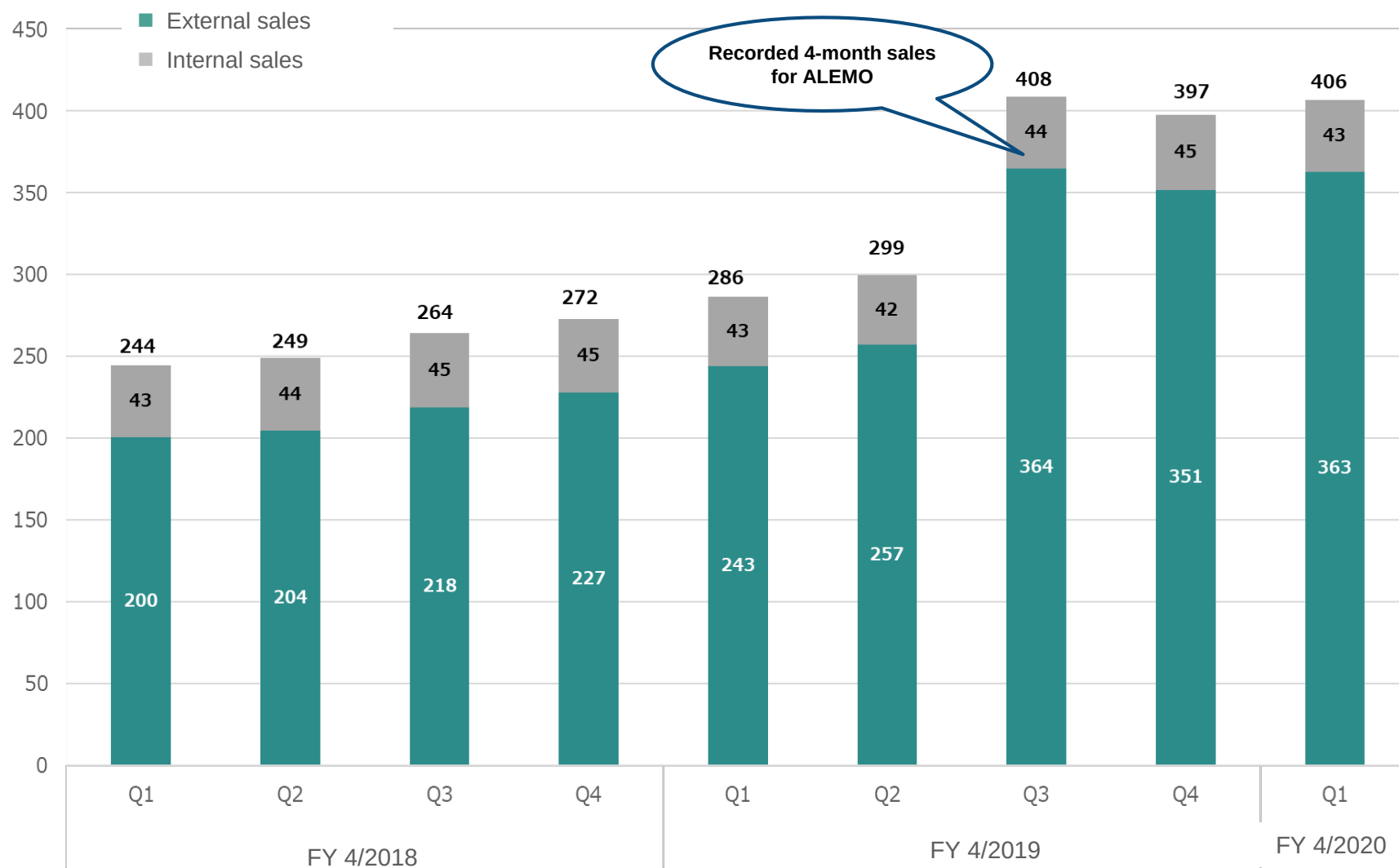
 +0.8% quarter on quarter, partnership brand* -9.8%, own brand +46.1%
Rent guarantee service under own brand grew steadily

*Stopped accepting new guarantee service with the start of the provision of rent guarantee service under own brand from June 2018

- Increased by 17.1% year on year even when excluding sales for ALEMO

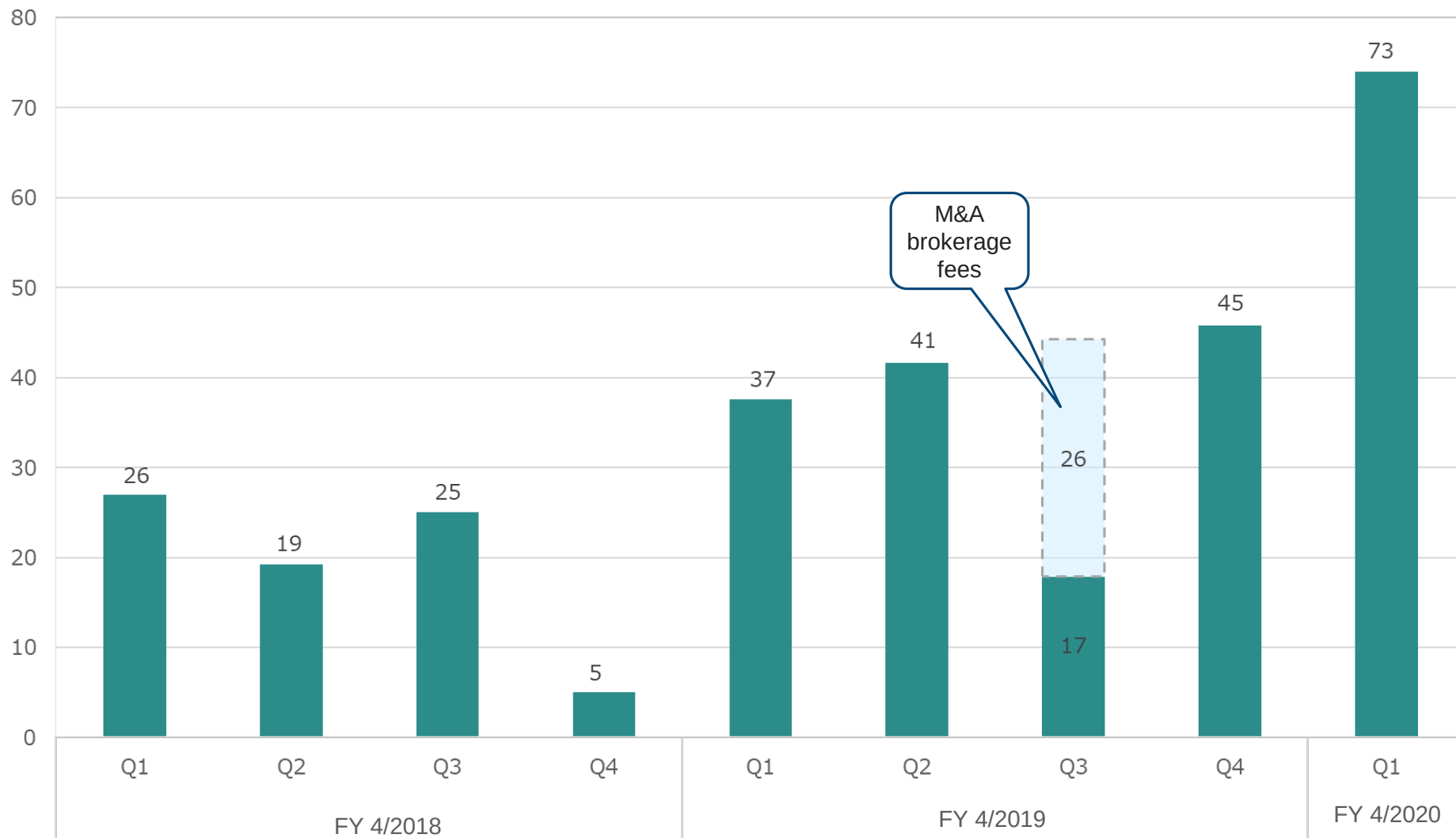
 **ALEMO** QoQ 4.9% increase

(Unit: Million Yen)

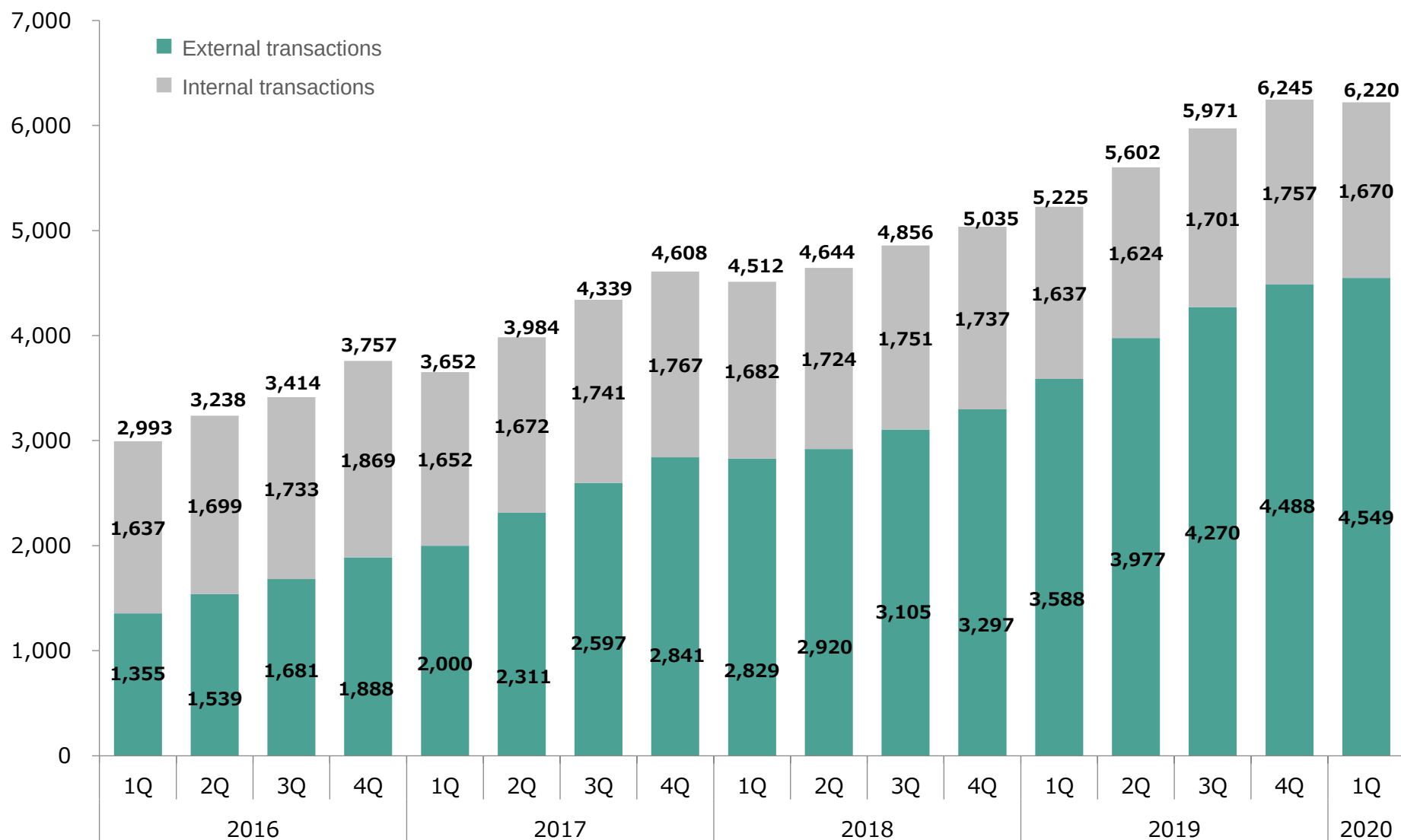


*Internal sales are EC business sales

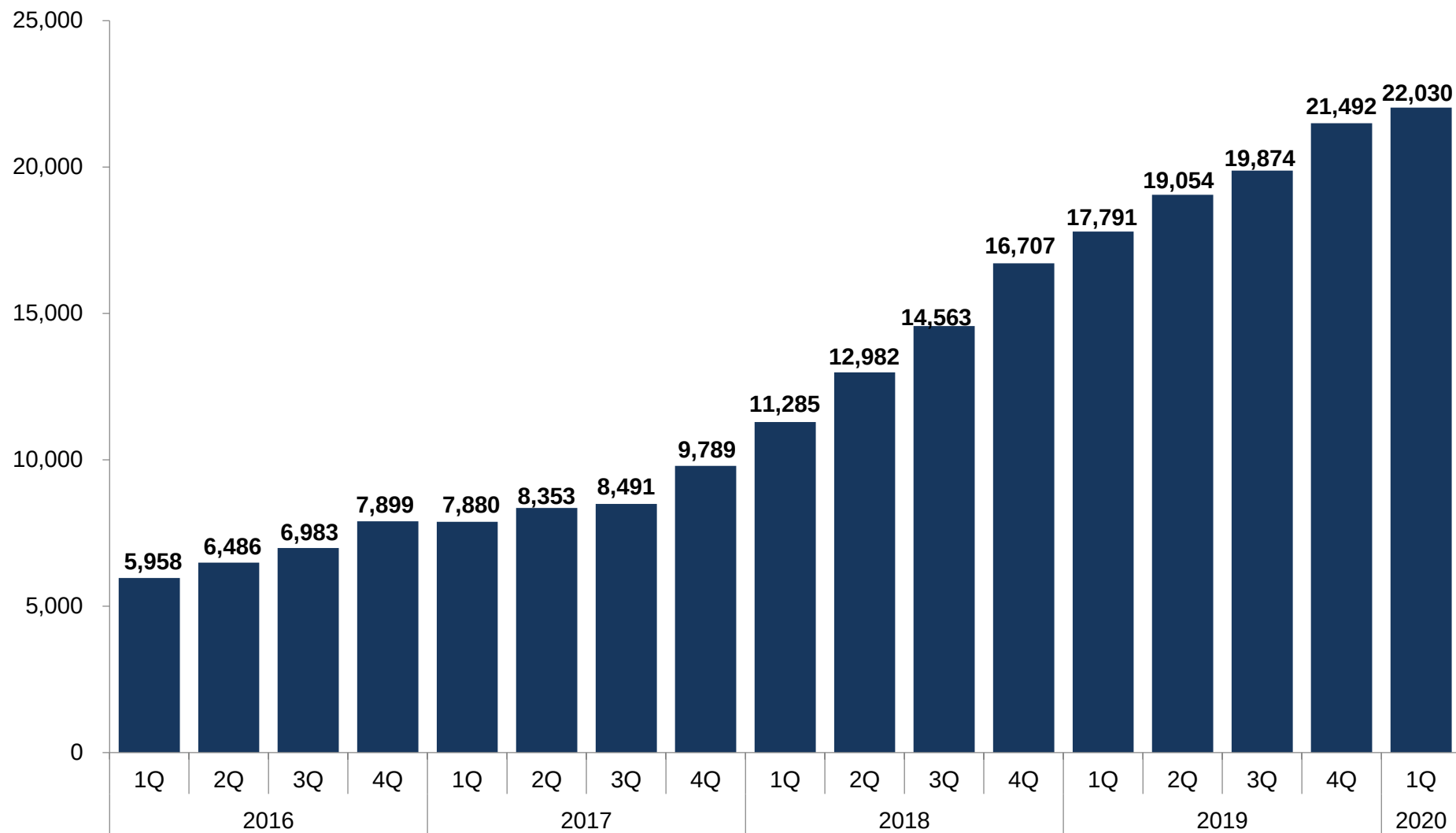
(Unit: Million Yen)



(Unit: Million Yen)



(Unit: Million Yen)



*Guarantee balance for ALEMO is excluded.

Reference: Appendix

Trends in Consolidated Net Sales by Quarter

(Unit: Thousand Yen)

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	392,285	393,391	409,310	416,992	411,858	422,816	429,159	431,392
Financial	177,263	182,555	189,081	198,432	200,454	204,346	218,443	227,608
Total	569,548	575,946	598,391	615,424	612,313	627,162	647,603	659,000

	2019				2020
	1Q	2Q	3Q	4Q	1Q
EC	425,150	425,472	446,243	466,189	455,214
Financial	243,873	257,229	364,526	351,713	362,899
Total	669,023	682,702	810,769	817,902	818,113

Trends in Consolidated Operating Income by Quarter

(Unit: Thousand Yen)

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	139,203	140,305	154,643	150,387	150,866	159,467	165,583	169,227
Financial	13,878	13,679	14,979	13,470	26,952	19,235	25,016	5,055
Adjustment	-58,634	-48,480	-51,960	-60,661	-71,758	-72,556	-68,443	-70,957
Total	94,448	105,504	117,662	103,197	106,060	106,146	122,156	103,325

	2019				2020
	1Q	2Q	3Q	4Q	1Q
EC	167,308	164,168	186,450	196,600	186,422
Financial	37,533	41,638	17,839	45,823	73,979
Adjustment	-71,567	-68,219	-81,257	-87,592	-84,626
Total	133,274	137,587	123,032	154,831	175,775

Trends in “SUPER DELIVERY” Sales

(Unit: Thousand Yen)

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
System usage sales	236,045	238,416	252,671	260,824	254,911	267,006	275,823	277,465
Member retailer sales	61,362	62,442	61,854	61,986	61,538	61,342	61,050	61,002
Posting company sales	94,181	91,496	93,793	92,986	94,273	93,141	90,785	91,183
Total	391,589	392,354	408,319	415,797	410,722	421,490	427,659	429,651
Transaction value	2,373,604	2,364,000	2,504,825	2,592,073	2,540,172	2,607,775	2,704,572	2,731,729

	2019				2020
	1Q	2Q	3Q	4Q	1Q
System usage sales	272,082	275,301	294,524	314,239	299,278
Member retailer sales	61,170	60,712	60,888	61,070	61,814
Posting company sales	89,903	87,312	88,610	88,415	91,471
Total	423,155	423,326	444,023	463,724	452,564
Transaction value	2,672,949	2,674,929	2,852,157	3,044,716	2,927,620

EC: No. of Buying Customers That Purchased “SUPER DELIVERY” and Value of Transactions

Value of Transactions (Units: Yen)

	2015				2016			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
No. of buying customers	8,759	8,662	8,796	8,937	8,919	8,763	8,875	9,027
Value of transactions	263,338	275,998	273,161	272,449	254,966	268,478	270,505	283,623

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
No. of buying customers	9,077	9,129	9,318	9,654	9,829	10,210	10,497	11,046
Value of transactions	261,496	258,955	268,815	268,497	258,436	255,413	257,651	247,304

	2019				2020
	1Q	2Q	3Q	4Q	1Q
No. of buying customers	11,616	11,846	12,068	12,814	13,249
Value of transactions	230,109	225,808	236,340	237,608	220,969

(Unit: Thousand Yen)

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Internal Sales	43,104	43,644	45,291	45,921	43,767	44,865	45,561	45,215
External Sales	177,263	182,555	189,081	198,432	200,454	204,346	218,443	227,608
Total	220,367	226,199	234,372	244,353	244,222	249,212	264,005	272,824

	2019				2020
	1Q	2Q	3Q	4Q	1Q
Internal Sales	42,624	42,288	44,290	45,734	43,481
External Sales	243,873	257,229	364,526	351,713	362,899
Total	286,497	299,518	408,817	397,447	406,380

Trends in “Paid” Transaction Value

(Unit: Thousand Yen)

	2015				2016			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Internal Transactions	1,598,398	1,735,527	1,703,691	1,750,567	1,637,797	1,699,168	1,733,022	1,869,146
External Transactions	728,416	839,188	980,724	1,157,949	1,355,857	1,539,287	1,681,144	1,888,849
Total	2,326,815	2,574,716	2,684,416	2,908,517	2,993,654	3,238,455	3,414,167	3,757,996

	2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Internal Transactions	1,652,225	1,672,828	1,741,922	1,767,514	1,682,372	1,724,556	1,751,225	1,737,694
External Transactions	2,000,291	2,311,575	2,597,637	2,841,259	2,829,913	2,920,373	3,105,237	3,297,511
Total	3,652,516	3,984,403	4,339,560	4,608,774	4,512,285	4,644,930	4,856,462	5,035,205

	2019				2020
	1Q	2Q	3Q	4Q	1Q
Internal Transactions	1,637,880	1,624,883	1,701,840	1,757,236	1,670,517
External Transactions	3,588,014	3,977,456	4,270,115	4,488,159	4,549,949
Total	5,225,894	5,602,340	5,971,955	6,245,395	6,220,467

Trends in Guarantee Balance

(Unit: Thousand Yen)

2015				2016			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
3,549,223	4,014,613	4,518,229	5,516,003	5,958,346	6,486,483	6,983,264	7,899,365

2017				2018			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
7,880,656	8,353,182	8,491,518	9,789,473	11,285,989	12,982,090	14,563,828	16,707,717

2019				2020
1Q	2Q	3Q	4Q	1Q
17,791,515	19,054,837	19,874,875	21,492,574	22,030,599
		39,977,208	41,452,875	43,302,721 ← Amount for ALEMO