

FY 4/2020 (ending April 2020)

3Q Financial Results



March 5, 2020
RACCOON HOLDINGS, Inc.
Code: 3031 TSE1

Disclaimer

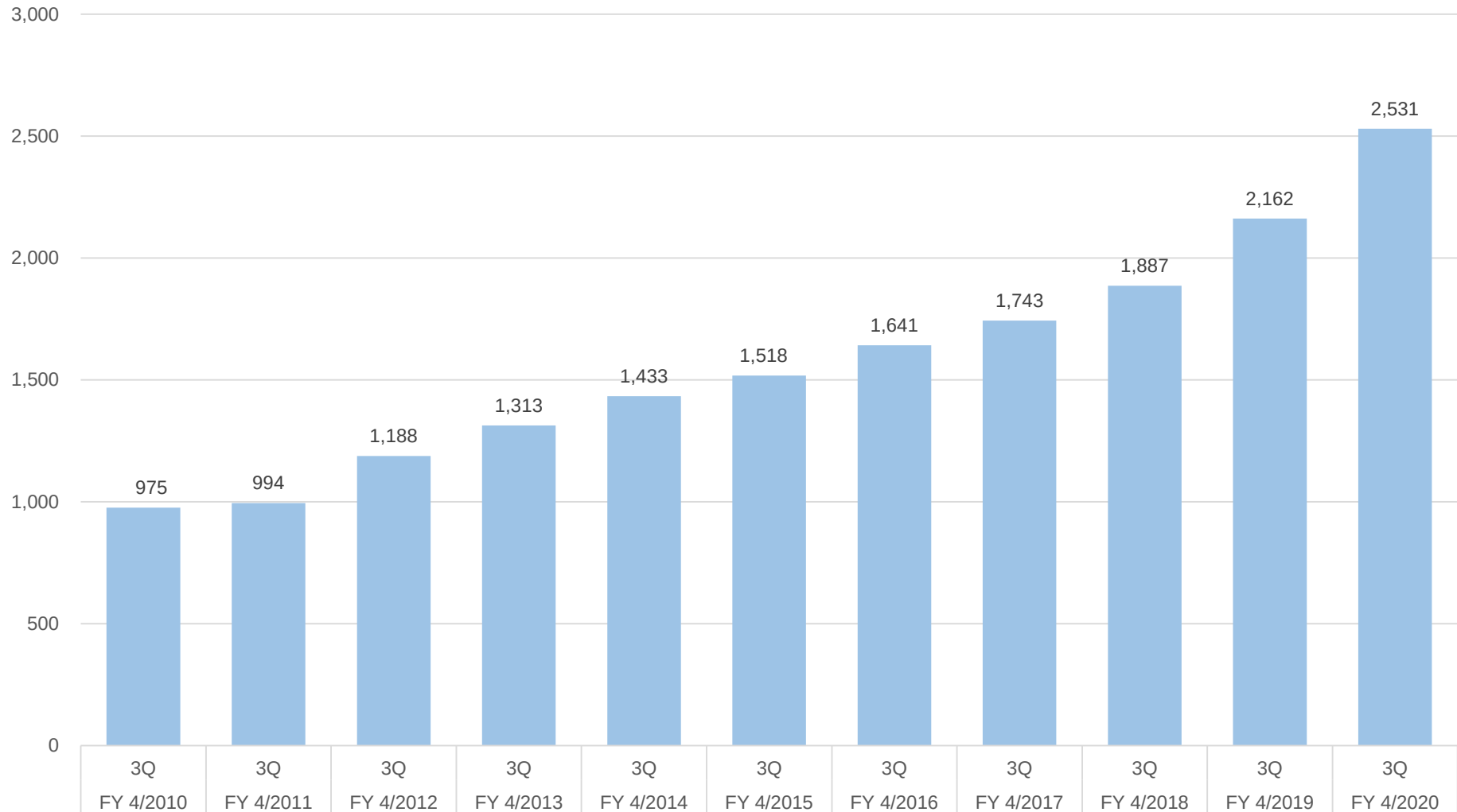
All estimates and opinions in this document were based on information available to us at the time, and may include inaccuracies.

Actual decisions and financial results in the future may differ.

Trends in Consolidated Net Sales

Sales remained strong, resulting in an increase of 17.0%
year on year

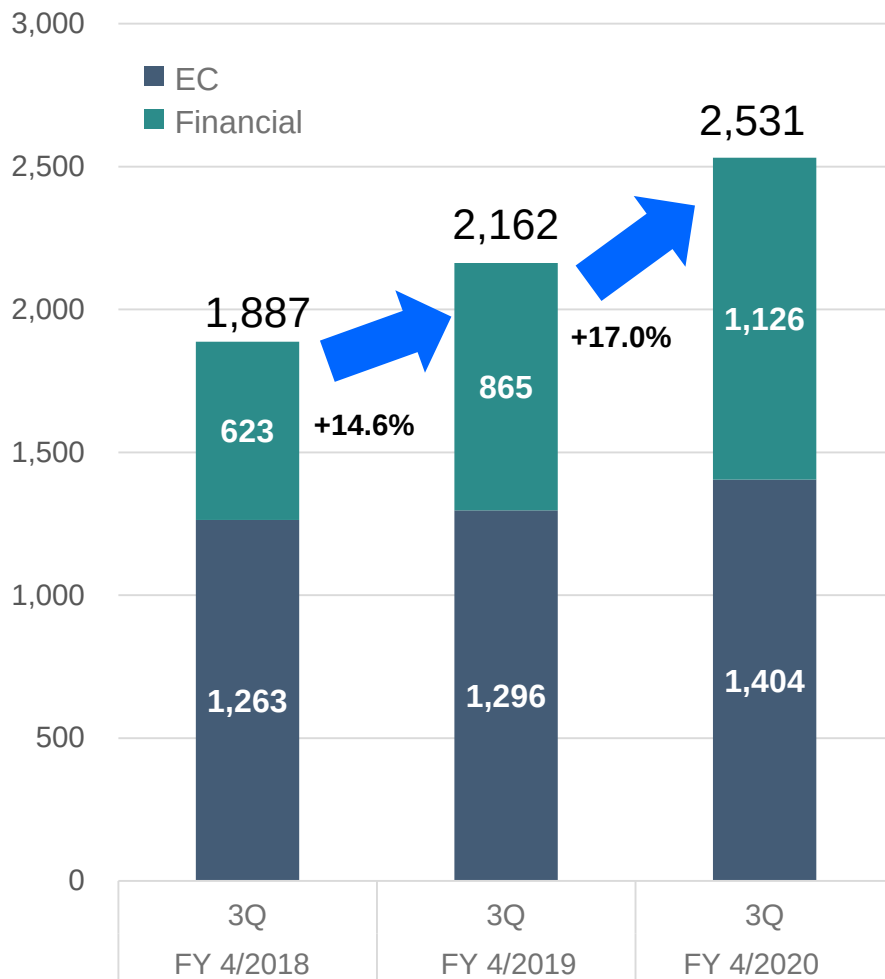
(Unit: Million Yen)



Factors Behind Increase in Consolidated Net Sales

Positive growth of both businesses
⇒ Improved the growth rate of consolidated net sales

(Unit: Million Yen)

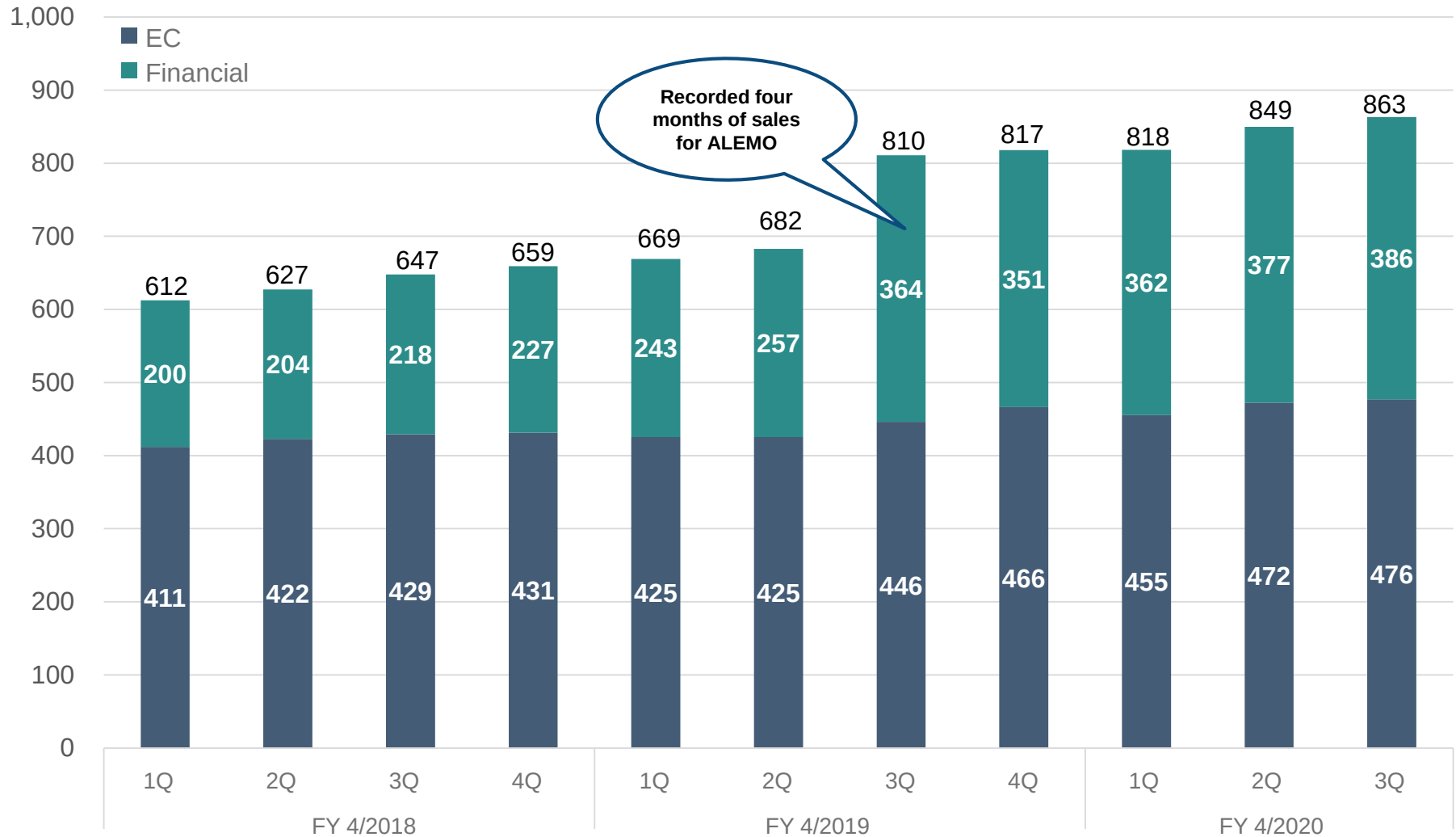


	YoY	YoY
EC	+8.3%	+107 million yen
Financial	+30.2%	+261 million yen

- EC business improved by 5.7 pt. from the previous period, increasing 8.3% year on year
- Financial business increased by 30.2% year on year, maintaining a high growth rate
- Consolidated net sales excluding sales for ALEMO also recorded a double-digit year-on-year increase of 11.6%

Trends in Consolidated Net Sales by Quarter

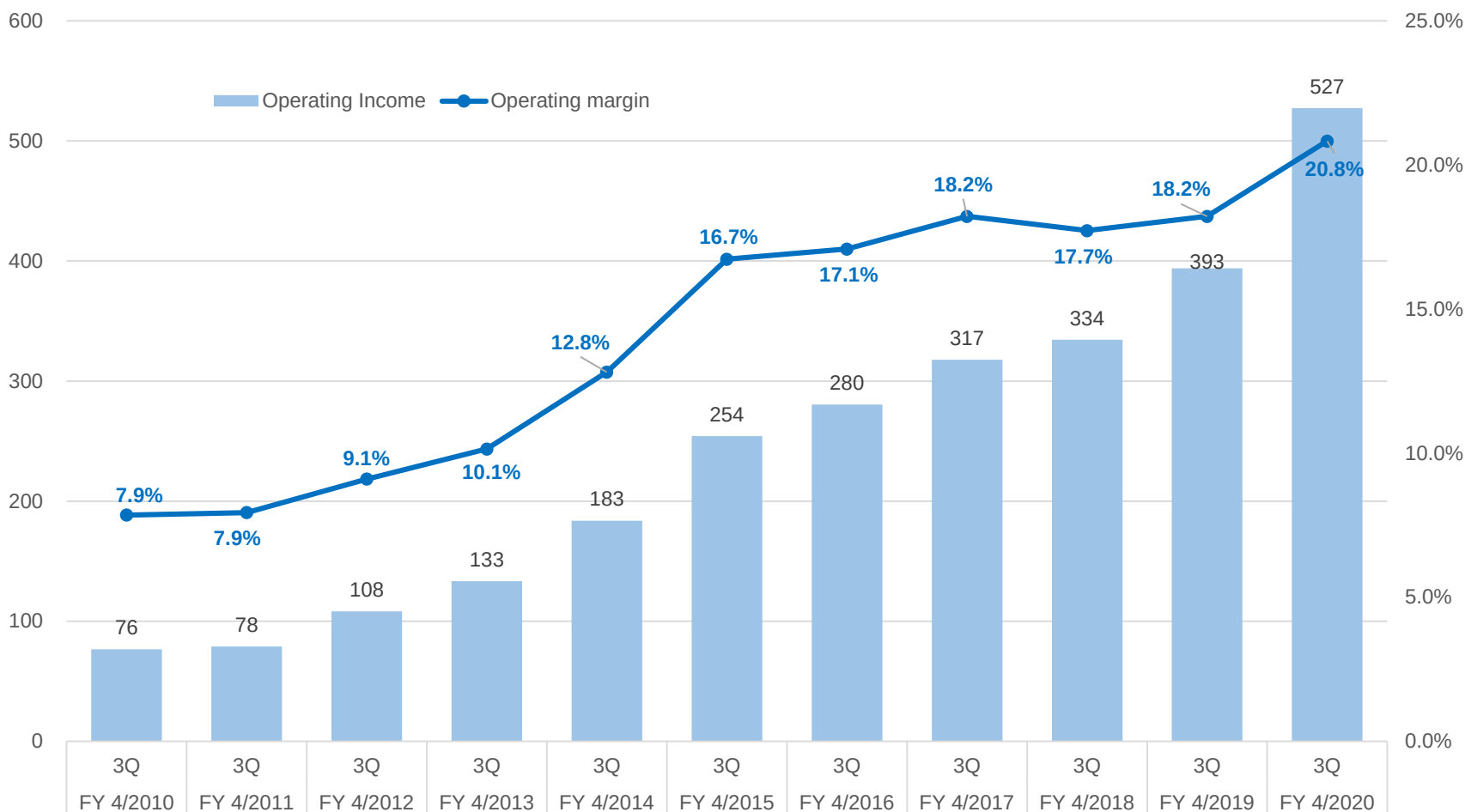
(Unit: Million Yen)



Trends in Consolidated Operating Income

Operating income increased 33.8% year on year
Operating margin also increased by 2.6 pt.
from the previous period to 20.8%

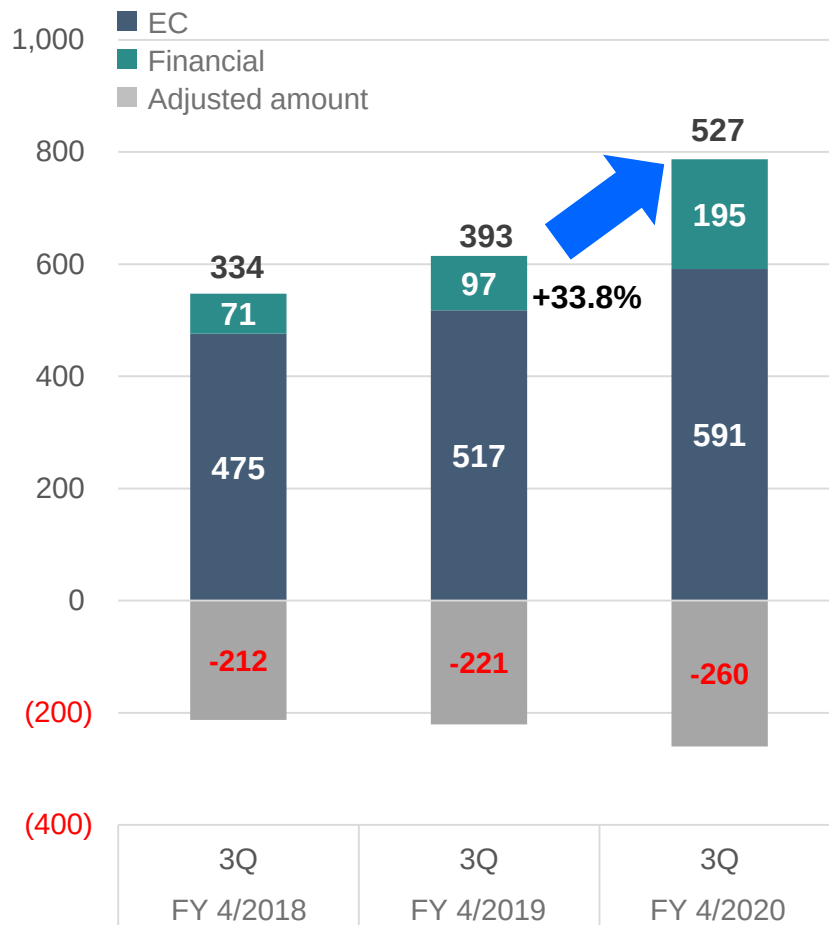
(Unit: Million Yen)



Factors Behind Increase in Consolidated Operating Income

Operating income increased by 33.8%
despite the increase in advertising expenses,
as a result of reducing other expenses in general

(Unit: Million Yen)

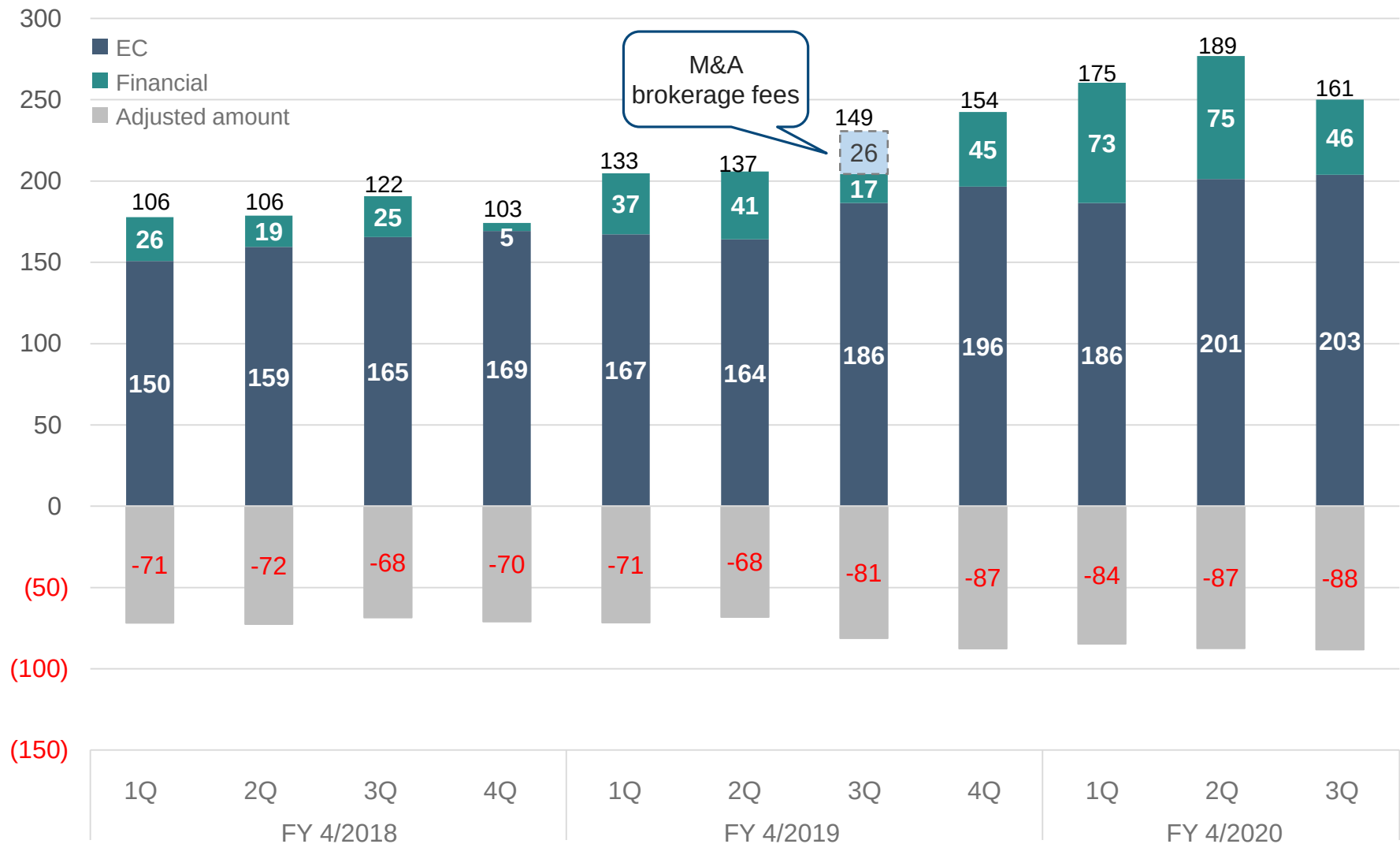


	YoY	YoY
EC	+14.2%	+73 million yen
Financial	+101.8%	+98 million yen

- Advertising expenses increased due to an increase in investment in advertising
Advertising expenses increased by 47 million yen year on year as a result of placing ads of URIHO in taxis
- Amortization of goodwill increased due to the impact of the acquisition of shares of ALEMO conducted in the previous period
- Depreciation increased with acquisition of own building
Land rent was reduced significantly

Trends in Consolidated Operating Income by Quarter

(Unit: Million Yen)



FY 4/2020 3Q Results

(Unit: Million Yen)

	FY 4/2020 3Q Results	FY 4/2019 3Q Results	YoY	Estimation	Progress Rate
Net sales	2,531	2,162	+17.0%	3,450	73.4%
Gross profit	2,045	1,744	+17.3%	—	—
Selling, general and administrative expenses	1,518	1,350	+12.4%	—	—
— Advertising and sales promotion expenses	196	148	+31.9%	—	—
EBITDA	633	465	+36.3%	810	78.3%
Operating income	527	393	+33.8%	670	78.7%
Operating margin	20.8%	18.2%	+2.6%	19.4%	—
Ordinary income	529	389	+36.2%	670	79.1%
Net income attributable to owners of parent	338	237	+42.3%	425	79.5%

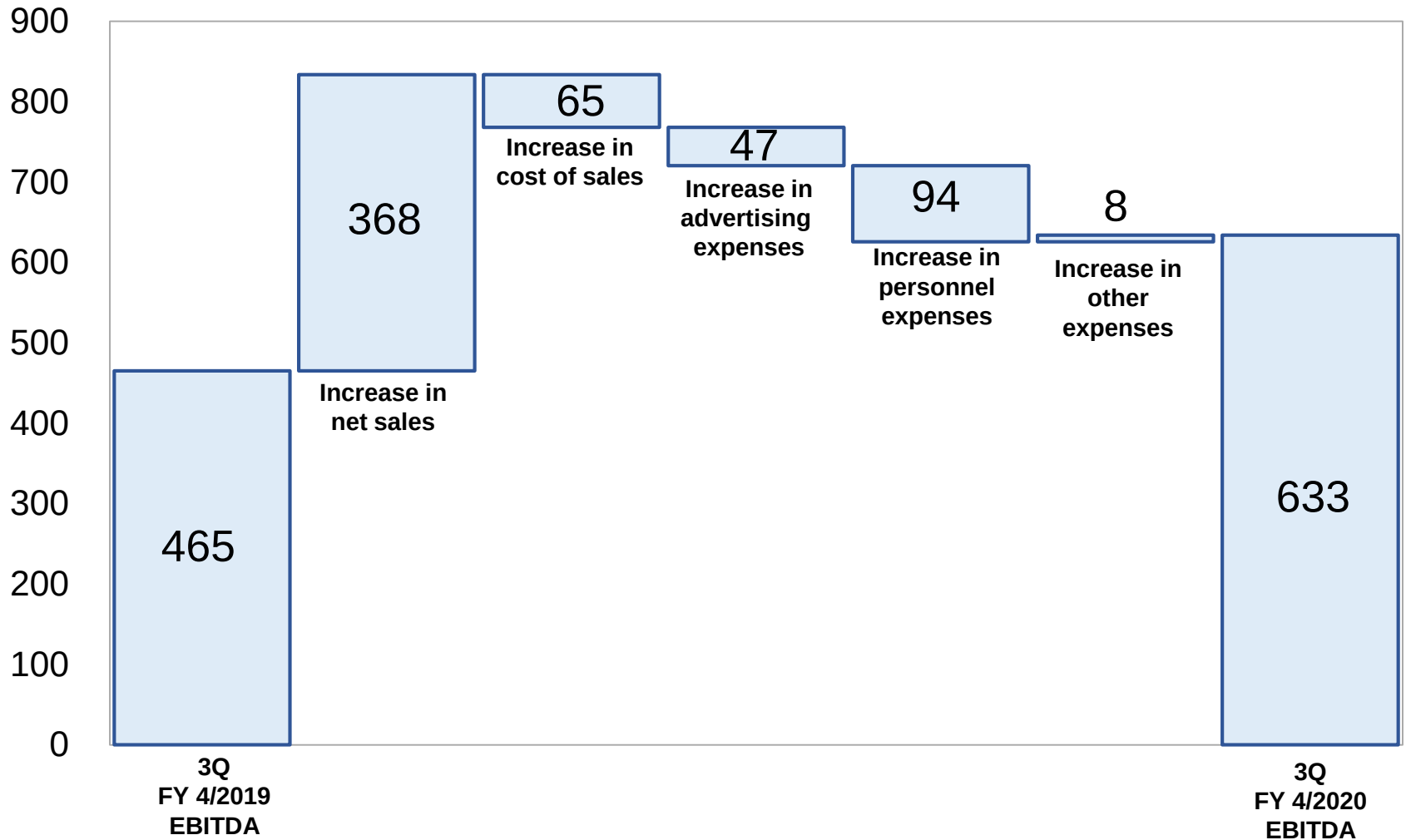
Trends in Business Performance (Quarterly Basis)

(Unit: Million Yen)

	FY 4/2019		FY 4/2020		
	3Q	4Q	1 Q	2 Q	3Q
Net sales	810	817	818	849	863
Gross profit	642	625	671	692	681
Selling, general and administrative expenses	519	470	495	503	519
— Advertising and sales promotion expenses	57	58	61	61	73
Operating income	123	154	175	189	161
Operating margin	15.2%	18.9%	21.5%	22.3%	18.8%
Ordinary income	121	156	175	194	160
Net income attributable to owners of parent	55	141	111	125	101

Factors Behind Change in EBITDA (Year-on-Year Comparison)

(Unit: Million Yen)



(Unit: Million Yen)

	FY 4/2020 3Q	FY 4/2019	Difference	Compared with the end of the previous quarter
Current assets	6,670	6,493	177	102.7%
Non-current assets	2,650	2,354	296	112.6%
— Property, plant and equipment	1,478	1,485	-6	99.6%
— Intangible assets	494	522	-28	94.6%
— Investments and other assets	677	346	330	195.4%
Current liabilities	4,537	4,729	-191	95.9%
Non-current liabilities	1,241	1,420	-178	87.4%
Net assets	3,541	2,697	844	131.3%
Total assets	9,321	8,848	473	105.4%

Summary by Segment

EC Business

Segment Sales: **1,404** million yen YoY: **8.3%** increase

Segment Profit: **591** million yen YoY: **14.2%** increase

- Increased the pace of increase in the number of exhibited products by attracting more posting companies
The number of exhibited products as of the end of January 2020 surpassed 1,100,000
- Domestic transaction value remained steady backed by the increase in transaction value for businesses other than retailers as well as by the positive growth in transaction value for retailers
- Orders for masks from overseas surged due to the growing demand for masks in line with the outbreak of the new coronavirus and the spread of infection

Overseas transaction value increased as a result of posting part of the sales in 3Q

Domestic transaction value → YoY: 6.7% increase

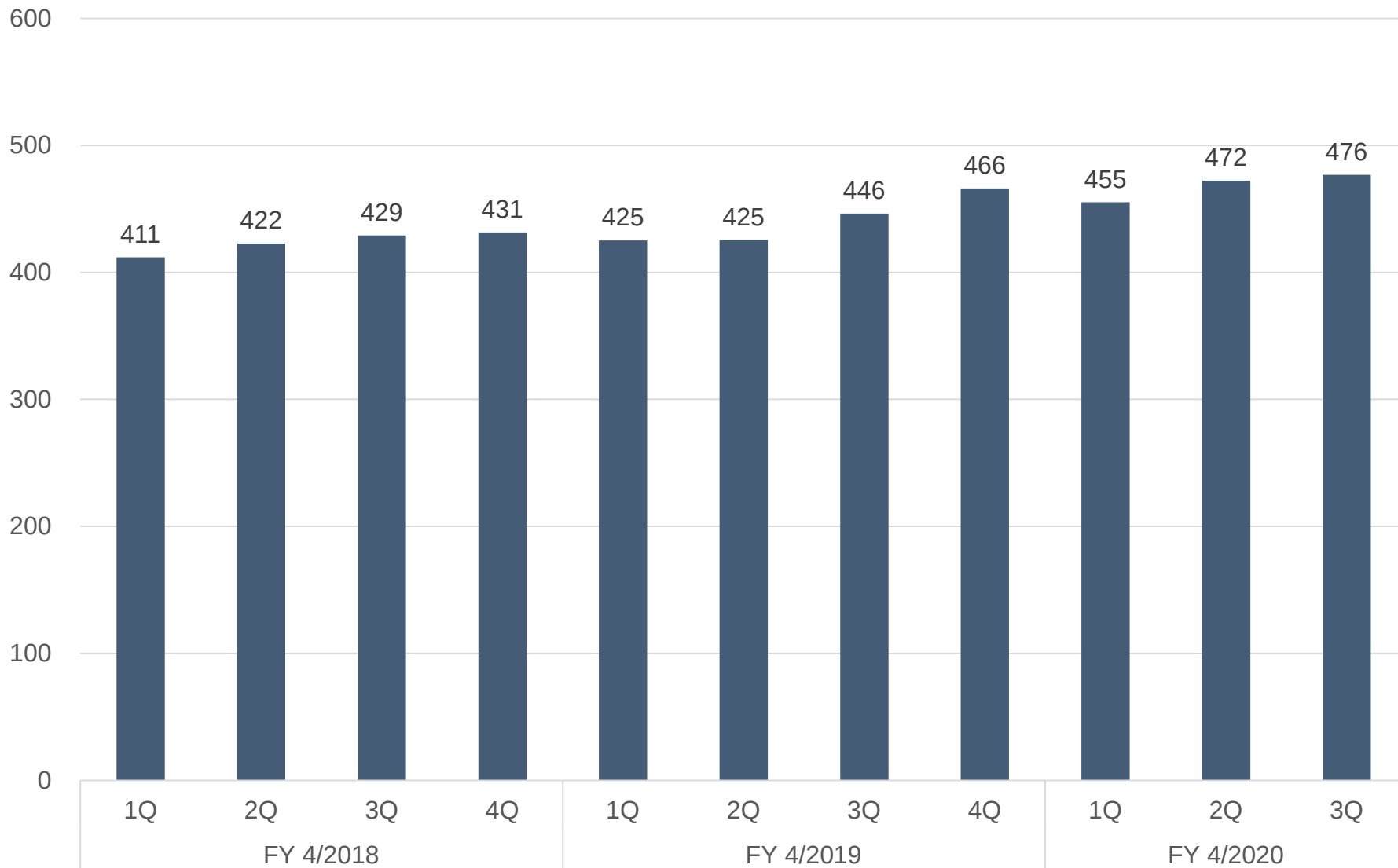
Overseas transaction value → YoY: 22.8% increase



Total transaction value: 8,953,948 thousand yen (YoY: 9.2% increase)

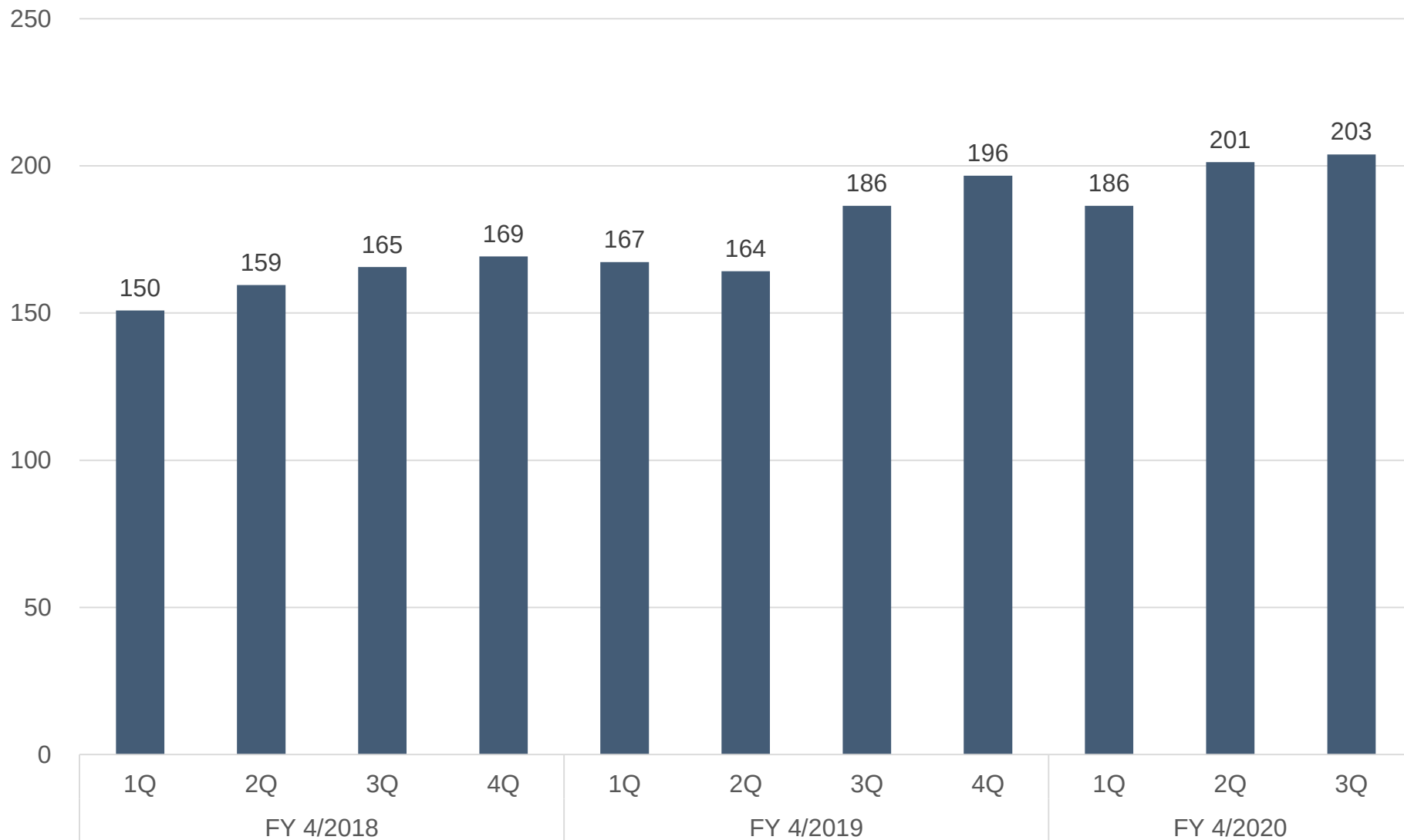
Trends in Sales by Quarter

(Unit: Million Yen)

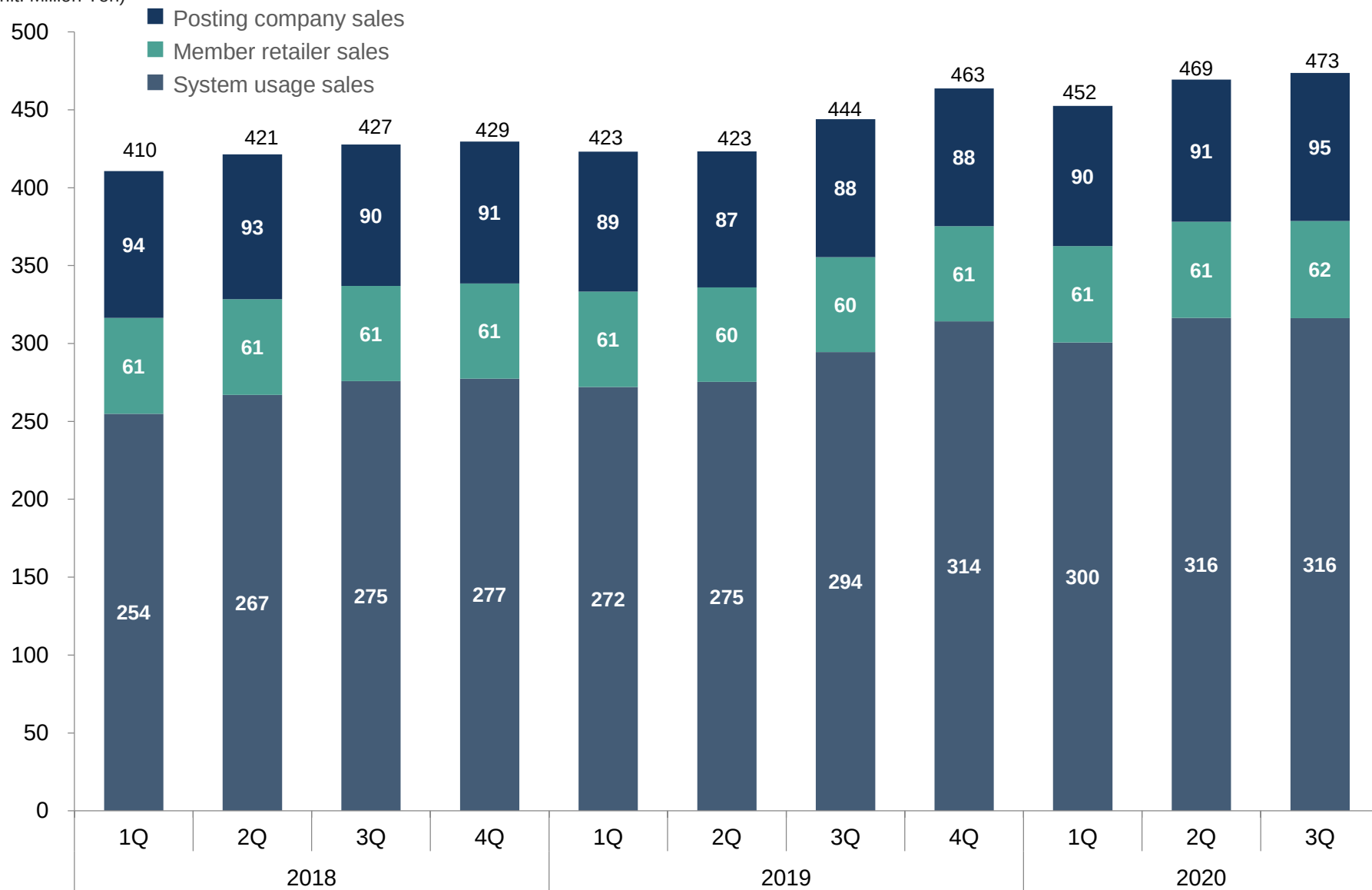


Trends in Segment Profit by Quarter

(Unit: Million Yen)

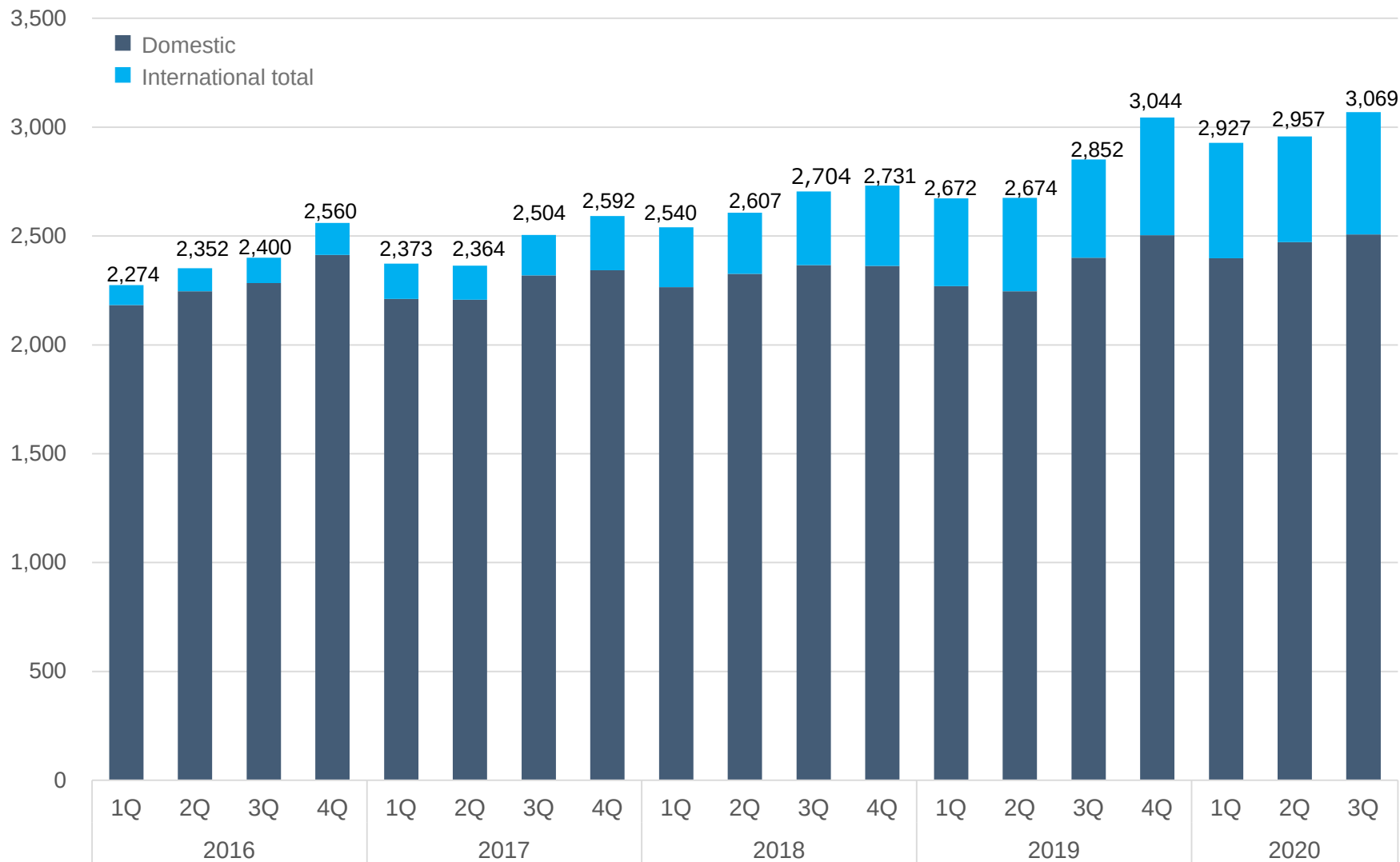


(Unit: Million Yen)



Trends in SUPER DELIVERY Transaction Value

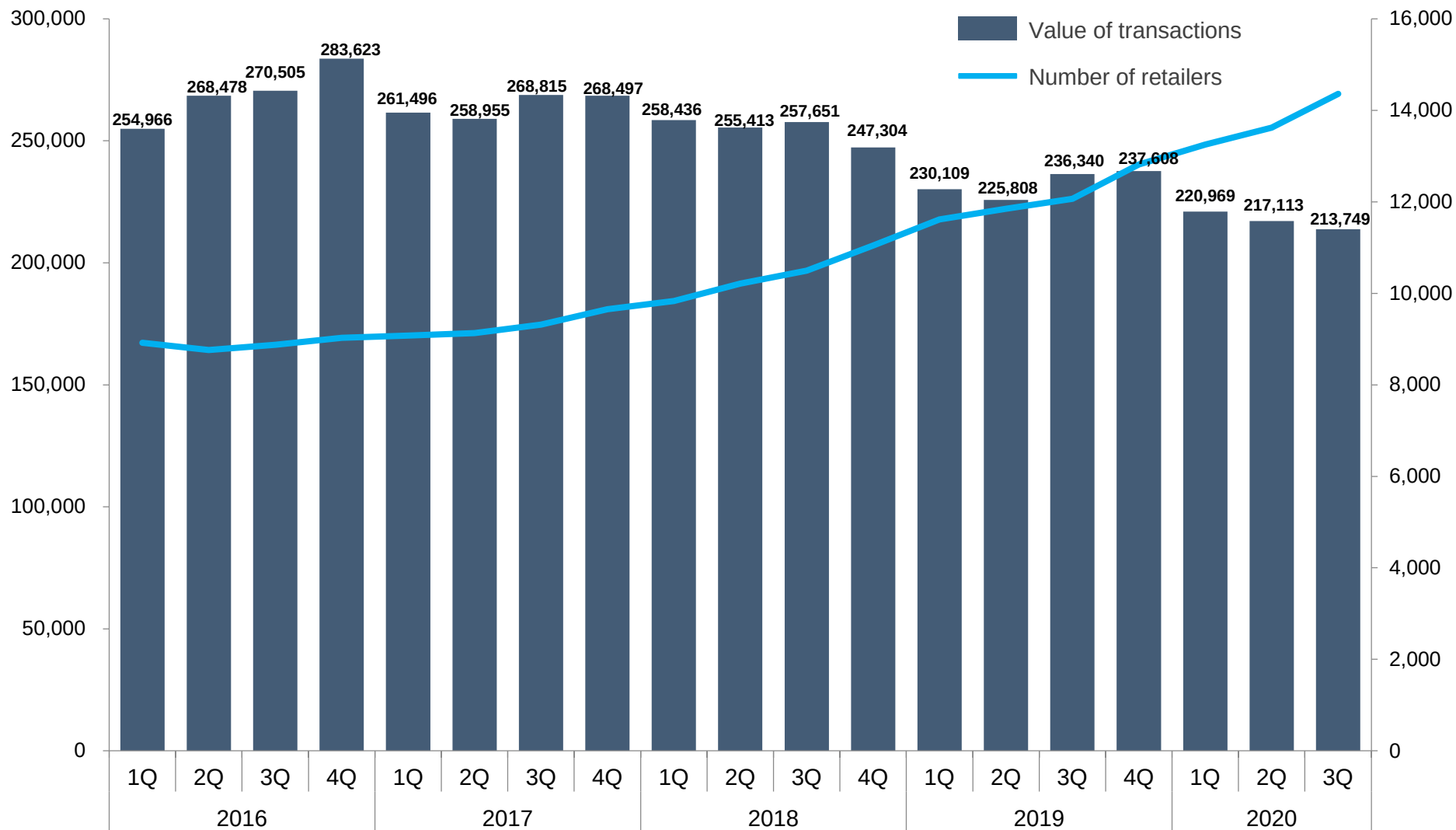
(Unit: Million Yen)



No. of Buying Customers and Value of Transactions

Value of transactions
(Unit: Yen)

No. of buying customers
(Unit: Store)



Financial Business

Segment Sales: **1,260** million yen YoY: **26.7%** increase

Segment Profit: **195** million yen YoY: **101.8%** increase

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



+10.0%



+94.6%



Païd

(excluding internal sales)

+23.3%



Rent guarantee
service for
businesses

-4.9%

*Sales for rent guarantee service under own brand increased steadily by 40.5% from the previous quarter.

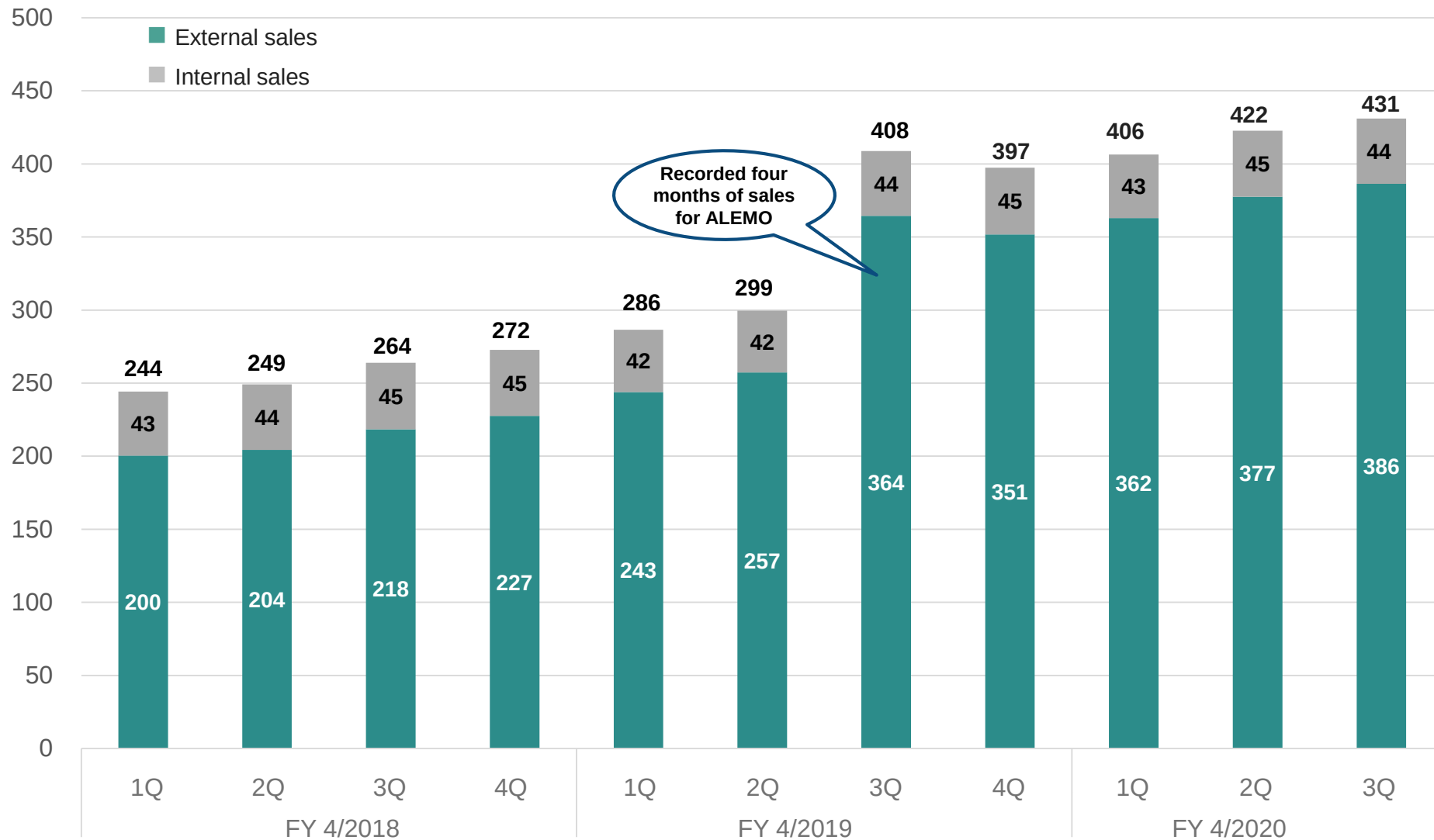
ALEMO QoQ: 1.0% increase

- Cost of sales increased due to a temporary increase in default in 3Q
- Started placing ads of URIHO in taxis in November 2019, adding extra advertising expenses. Furthermore, brokerage fees of 26 million yen was recorded in the previous period

Segment profit increased 101.8% year on year, but decreased 38.9% quarter on quarter

Trends in Sales by Quarter

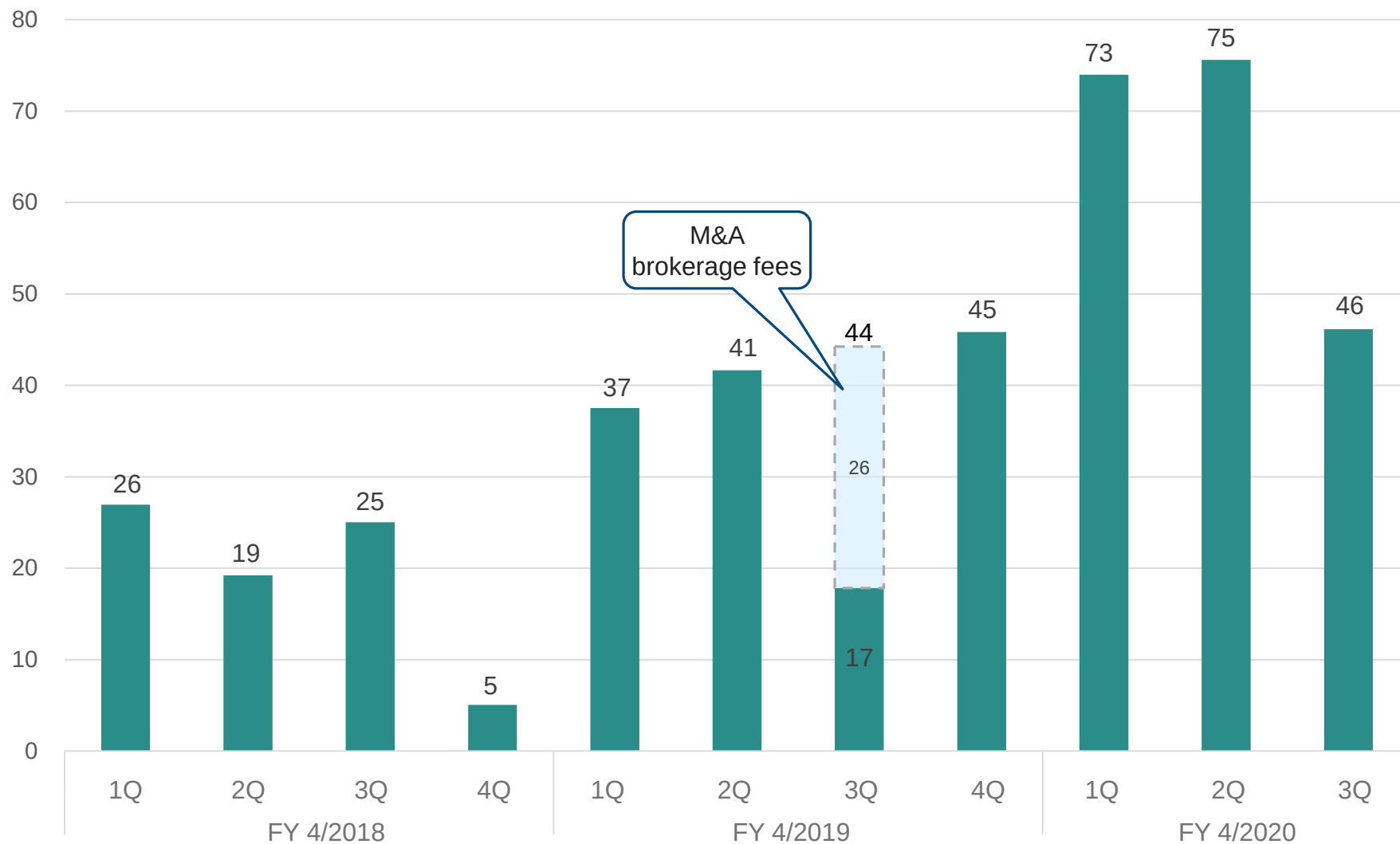
(Unit: Million Yen)



*Internal sales are sales in the EC business.

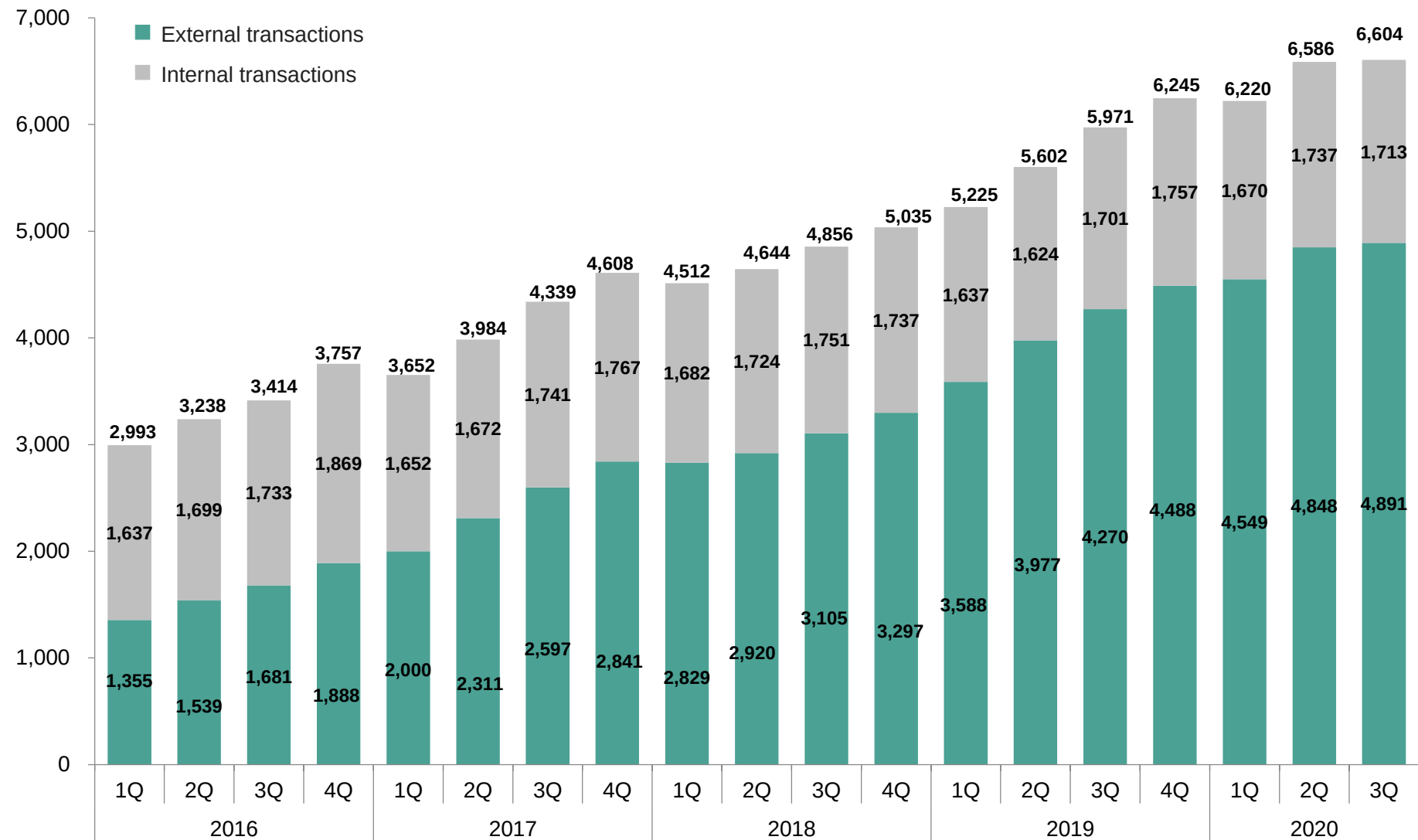
Trends in Segment Profit by Quarter

(Unit: Million Yen)

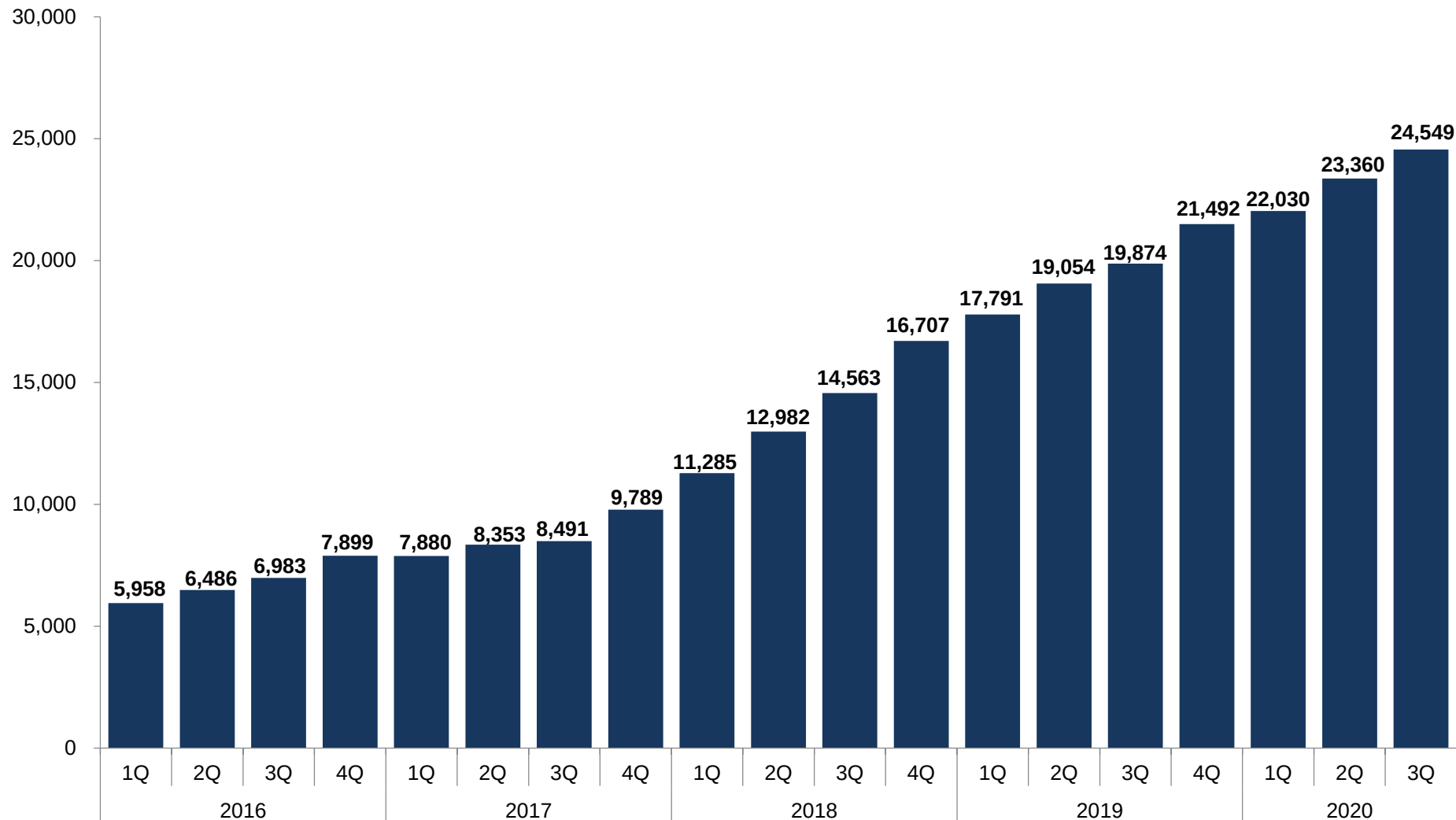


Trends in “Paid” Transaction Value

(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	2Q	3Q
EC	425,150	425,472	446,243	466,189	455,214	472,263	476,792
Financial	243,873	257,229	364,526	351,713	362,899	377,467	386,461
Total	669,023	682,702	810,769	817,902	818,113	849,730	863,254

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	2Q	3Q
EC	167,308	164,168	186,450	196,600	186,422	201,232	203,865
Financial	37,533	41,638	17,839	45,823	73,979	75,589	46,154
Adjustment	-71,567	-68,219	-81,257	-87,592	-84,626	-87,353	-88,140
Total	133,274	137,587	123,032	154,831	175,775	189,468	161,878

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	2Q	3Q
System usage sales	272,082	275,301	294,524	314,239	300,684	316,377	316,321
Member retailer sales	61,170	60,712	60,888	61,070	61,814	61,801	62,315
Posting company sales	89,903	87,312	88,610	88,415	90,066	91,213	95,092
Total	423,155	423,326	444,023	463,724	452,564	469,392	473,730
Transaction value	2,672,949	2,674,929	2,852,157	3,044,716	2,927,620	2,957,307	3,069,019

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	2Q	3Q
No. of buying customers	11,616	11,846	12,068	12,814	13,249	13,621	14,358
Value of transactions	230,109	225,808	236,340	237,608	220,969	217,113	213,749

Trends in “Financial” Sales

(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	2Q	3Q
Internal Sales	42,624	42,288	44,290	45,734	43,481	45,239	44,605
External Sales	243,873	257,229	364,526	351,713	362,899	377,467	386,461
Total	286,497	299,518	408,817	397,447	406,380	422,706	431,066

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	2Q	3Q
Internal Transactions	1,637,880	1,624,883	1,701,840	1,757,236	1,670,517	1,737,978	1,713,416
External Transactions	3,588,014	3,977,456	4,270,115	4,488,159	4,549,949	4,848,632	4,891,303
Total	5,225,894	5,602,340	5,971,955	6,245,395	6,220,467	6,586,611	6,604,719

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	2Q	3Q
17,791,515	19,054,837	19,874,875	21,492,574	22,030,599	23,360,385	24,549,892
	0	39,977,208	41,452,875	43,302,721	44,816,198	46,472,633

← Amount for ALEMO