

Financial Results Presentation for Fiscal Year ended March 2016



OpenDoor Inc.
(Stock Code: 3926)

1. Explanation of Company
2. Overview of Financial Results for Fiscal Year ended March 2016
3. Financial Projection for Fiscal Year ending March 2017
4. Reference Materials

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Company Overview

Company Overview (As of March 2016)



Company name	OpenDoor Inc.
Date of establishment	April 1997
Representative	Daisuke Sekine, President and Representative Director
Capital	648 million yen
Description of business	Operation of: Travel comparison site "Travelko-chan" Multi-language travel comparison site "Travelko" Traditional crafts information site "GALLERY JAPAN"
Consolidated subsidiaries	100% equity in Hotel Skip Inc. Reservation, arrangement, and sales for international and domestic hotels
Number of employees	A total of 138 employees

Progress and Sales Trends



A comparison website for travel products that allows users to compare and search among products of approximately 300 travel companies

海外旅行

★カベラ・シンガポールの魅力★
最高級のおもてなしを体験できるシンガポール・セントーサ島のホテルをご紹介します

スタッフ厳選! BEST SELECT

- 225,900円~ 関西発 ヨーロッパ2都市6日間<燃油代込>
- 26,900円~ 関空発 台北 3日間<燃油代込>
- 80,000円~ 名古屋発 セブ島 4日間 <燃油代込>

→BEST SELECTをもっと見る

- 海外ホテル 日本最大級!人気64サイトをまとめて検索!
- 海外ツアー 燃油サーチャージ合算比較
- 海外格安航空券 まとめて空席確認!人気のLCC航空券も
- 海外航空券+ホテル 自由を選んで24時間予約可能!
- オプションツアー 人気サイトのツアーをまとめて検索
- 海外鉄道予約 鉄道乗車券やバスを検索&予約!
- クルーズ クルーズの楽しみ方とQ&A
- ファイナルコール 出発直前激安情報!

→留学・ワーホリ →旅行見積り →レンタカー

国内旅行

かに三味の旅へ出かけよう!
茹でガニ、焼きガニ、カニ刺身など!美味しいカニをお腹いっぱい楽しむ旅へ

スタッフ厳選! BEST SELECT

- 29,900円 羽田発 札幌・登別温泉 3日間
- 18,300円~ 名古屋駅発 加賀温泉 2日間
- 20,800円~ 名古屋駅発 横浜・横須賀 2日間

→BEST SELECTをもっと見る

- 宿・ホテル予約 日本最大級!まとめて検索
- 国内ツアー 約90社の国内ツアーをまとめて検索・比較!
- 国内格安航空券 ご搭乗当日でも格安!24時間予約可
- 国内航空券+ホテル 空席のみ表示!往復航空券と宿を自由に選択
- 日帰り旅行・体験 日帰り温泉やアウトドアなど多数掲載中
- 格安高速バス 空席状況をまとめて確認!
- 国内格安レンタカー 国内レンタカーの格安値を簡単検索!
- ファイナルコール 出発直前激安情報!

→バスツアー →旅行見積り

格安値一覧 東京発

1月	2月
国内ツアー	宿・ホテル
札幌2日	1.78万円
苗場2日	1.07万円
白馬3日	1.42万円
金沢2日	1.84万円
大阪2日	1.53万円
博多・福岡2日	1.98万円
那覇3日	2.18万円
沖縄ビーチ(恩納村)3日	2.18万円

▶その他の国内ツアー情報ははこちら

海外ツアー(燃油込)

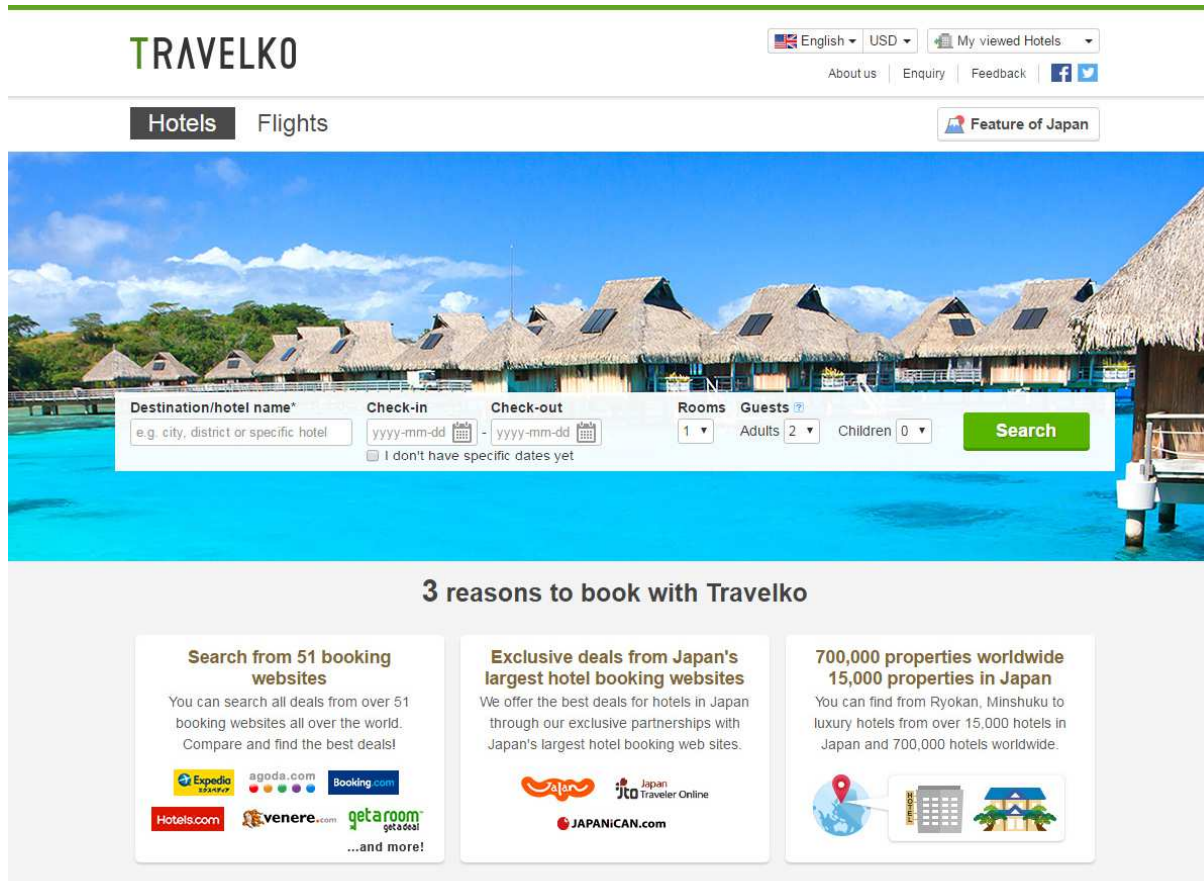
ソウル3日間	0.98万円
台北3日間	1.76万円
バンコク4日間	2.48万円
グアム4日間	3.48万円
ホノルル5日間	4.78万円
バリ島5日間	3.78万円
ロサンゼルス5日間	5.58万円
ニューヨーク5日間	5.80万円
パリ6日間	4.95万円
ロンドン6日間	4.95万円
ケアンズ5日間	5.98万円

▶その他の海外ツアー情報ははこちら

【マーク説明】 ↓↑…格安値の更新商品あり
12月7日時点の情報です



The global version of Travelko-chan, targeted at foreign and inbound markets



Started in October 2014

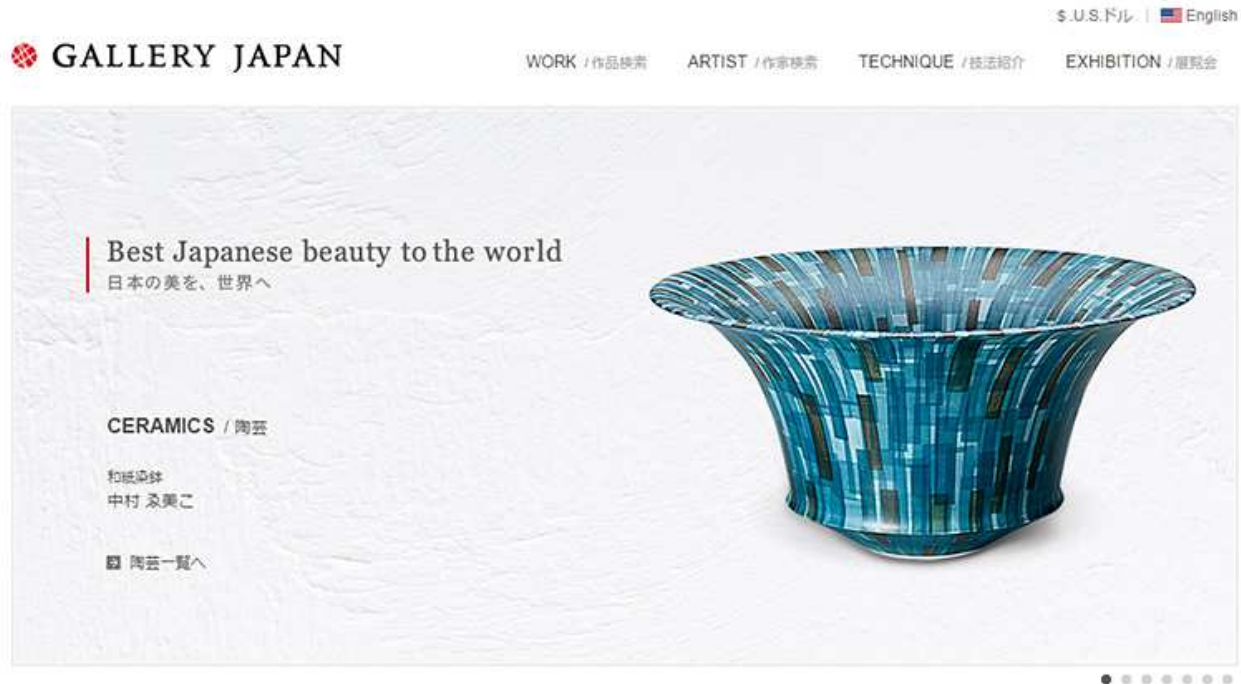
Supported Languages

English
Chinese (Traditional, Simplified)
Korean

Services of Our Company/Traditional Crafts Information Site “GALLERY JAPAN”



A site targeted at international and inbound markets, that introduces traditional craft goods of Japan to the rest of the world



Started in in October 2014

Supported Languages

English
Japanese

WORK / 作品紹介

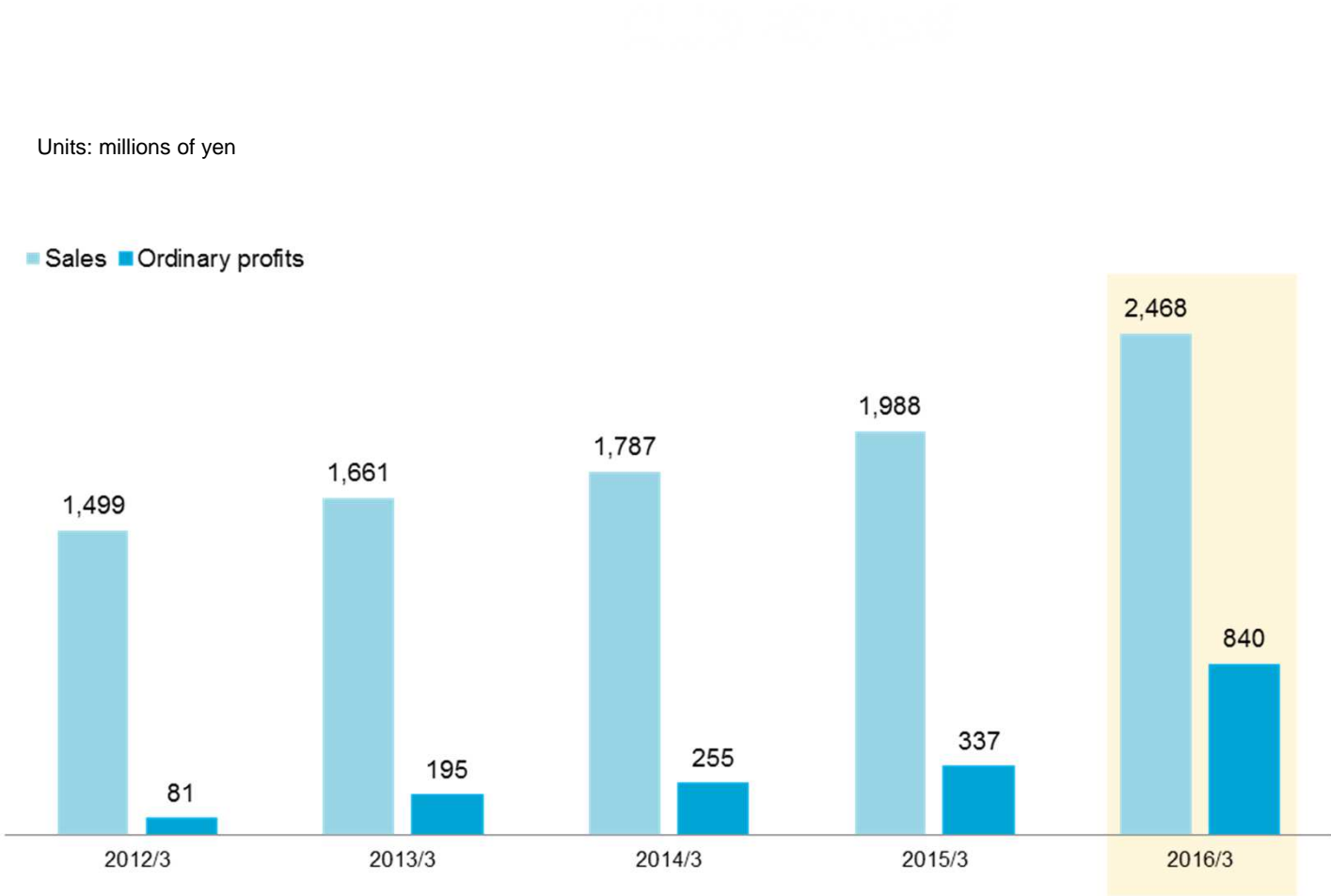


Business Overview

General/Trends of Business Results



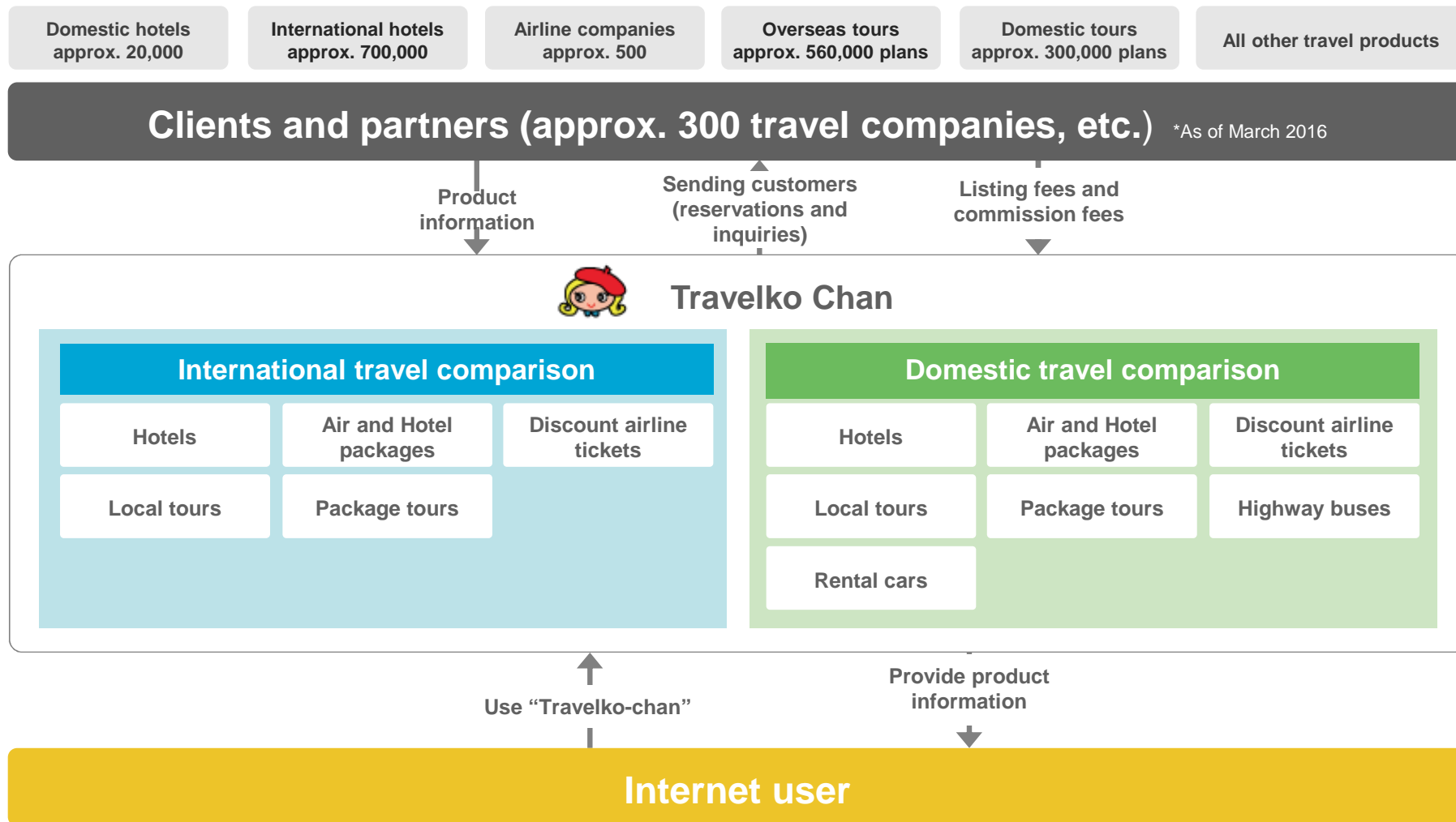
Currently updating record highs in sales and in profits



* The period of 2012/3-2013/3 shows figures of a non-consolidated financial report.

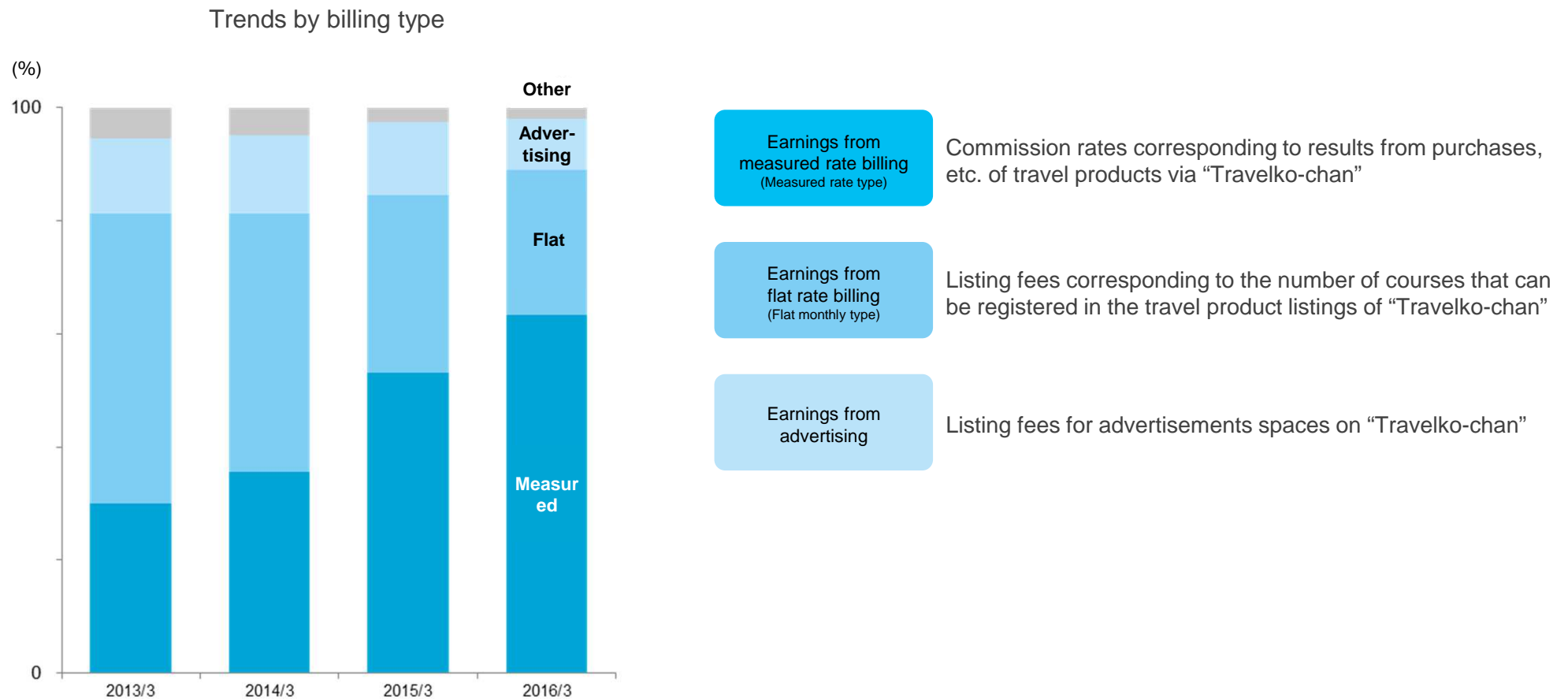
Travelko-chan / Business Model

A business model that allows the majority of travel products to be compared

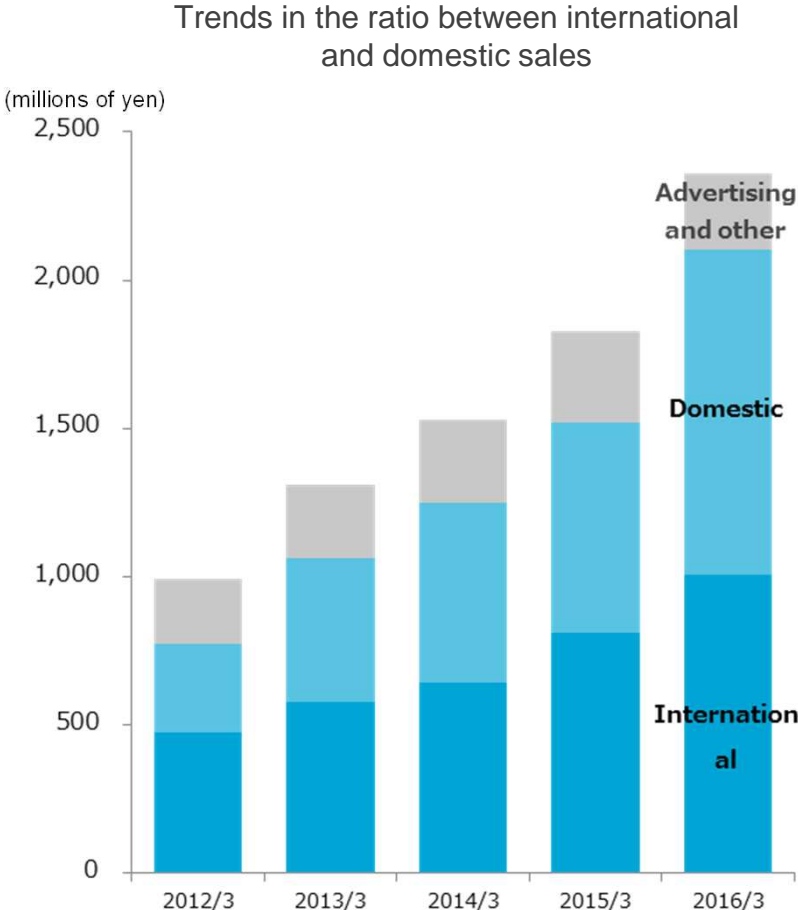


Travelko-chan / Earnings Model

Shift from flat rate billing to measured rate based on results



A sales structure with risk balance and growth in both International and domestic sales.



Flexibly corresponds to changes in market trends due to changes in international or domestic popularity or because of sudden events such as terrorist attacks, etc.

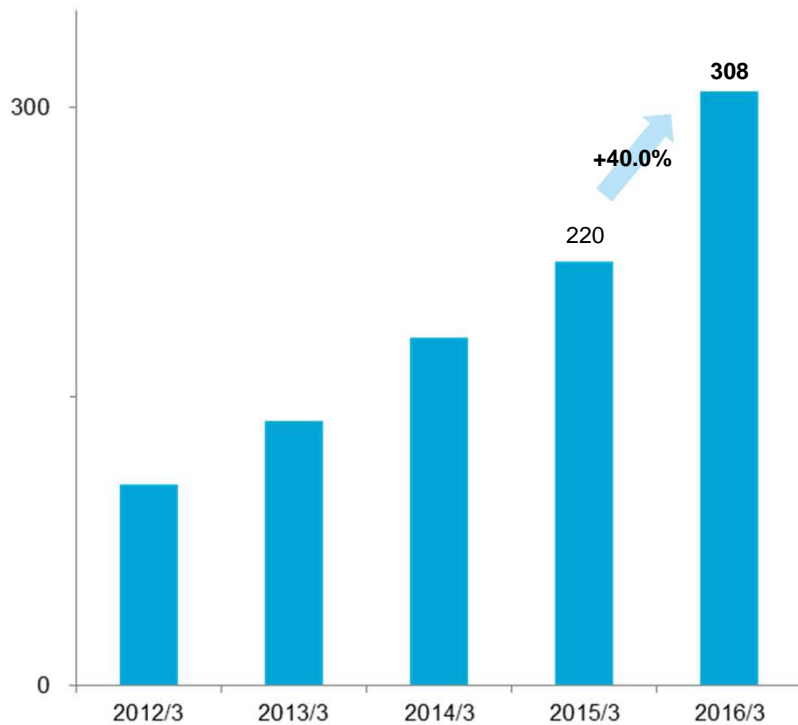
A structure that is resistant against exchange fluctuations

Travelko-chan / Trends in Unique Users, and User Attributes

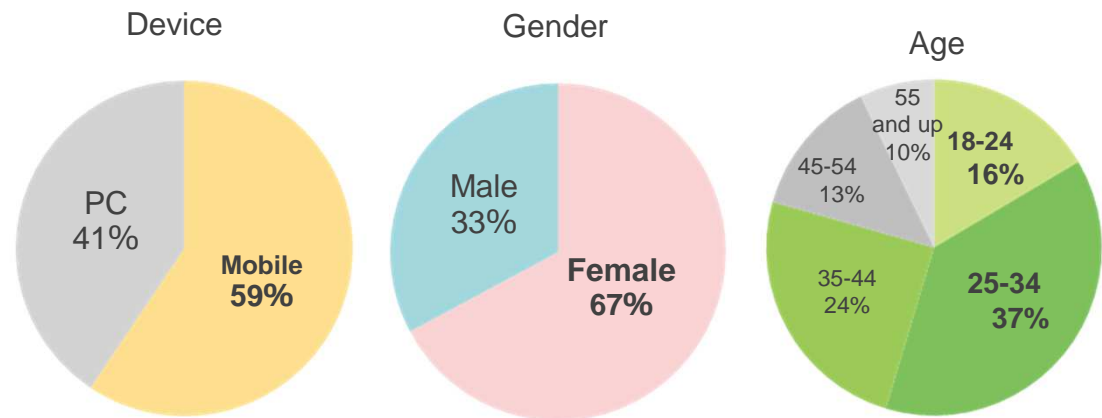
Characteristics are the smooth increase in the number of unique users and the fact that the user segments include many F1 users (females aged 20-34) who are strict in regards to the cost and content of products

Changes in the monthly averages of the number of unique users (based on fiscal years)

(10,000's of persons)



User attributes *2



* The majority of genres are now supported on smartphones

We are favored by the **F1 users who are extremely strict in regards to the cost and content of products.**



* 1 A unit for counting the amount of access via the web by using a method of counting a specific user as one user even if the user in question has visited the site multiple times on the same device within a period of one month

*2 2015/4 - 2016/3 access analysis data of our company

Strengths and Characteristics of Travelko-chan

Top-class domestic product competitive power

- ✓ **Coverage** of the majority of **genres***, and price comparison connected with inventory information
- ✓ Comparison possible between over 300 travel companies, **overwhelming cost competitive power**

High profitability

- ✓ Increase in users **without using a large amount of advertising expenses**, thanks to high brand recognition
- ✓ Yearly decreases in the rate of advertising expenses to net sells
- ✓ A structure in which profitability increases as sales increase, thanks to the growth of variable costs and fixed costs being restricted in comparison to sales
(Including large investments and promotions)

High growth in the number of unique users

- ✓ Constant high growth in the number of unique users
- ✓ **Growth in the number of unique users in all genres**

*Product genres such as package tours, hotels, discount airline tickets, dynamic packages, etc.

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Results / Profit and Loss Statement for FY2016 March



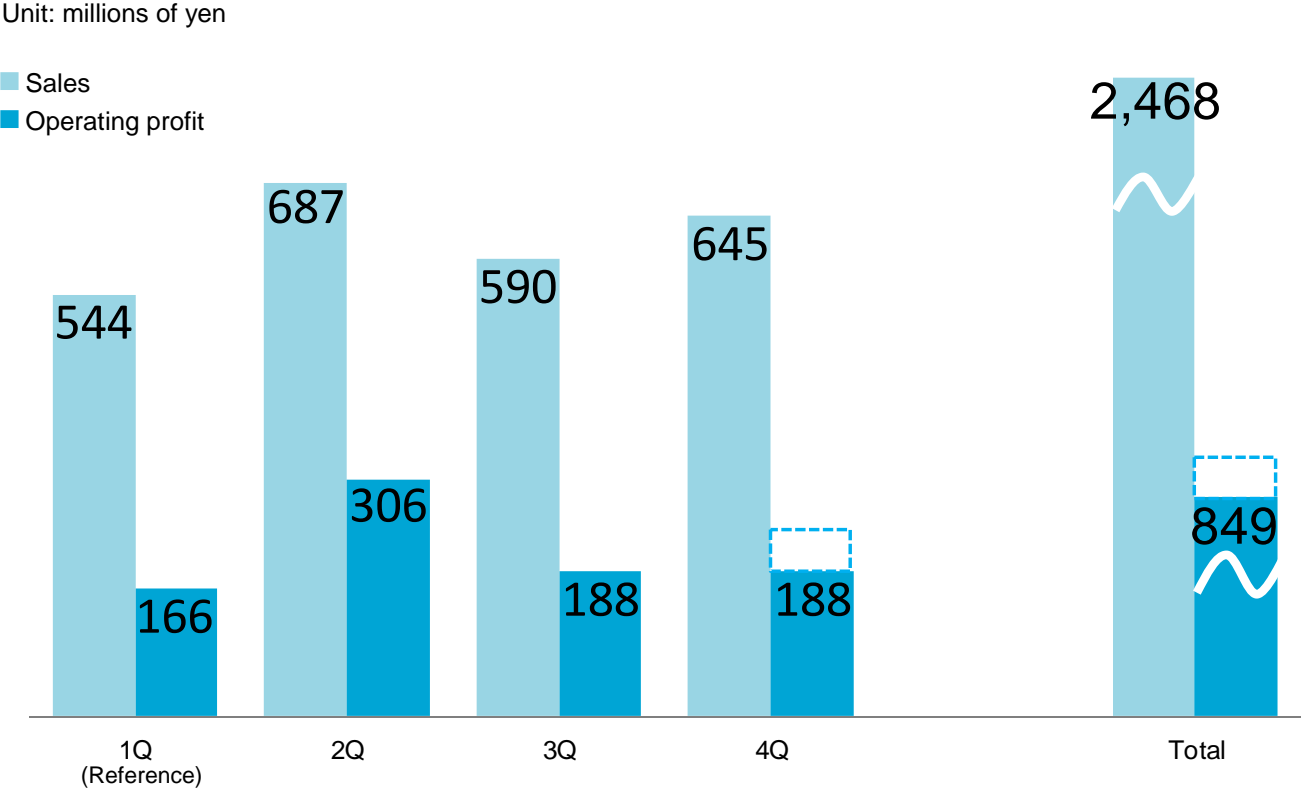
- Achieved the expected results published in regards to sales and all profits
- The operating profit margin increased greatly, by 34.4% (+17.7P)
- The monthly average of the number of unique users surpassed 3 million (an increase of 40.0% compared to the previous period)

Unit: millions of yen	2015/3 Results	2016/3 Results	Amount of change	Percentage of change
Sales	1,988	2,468	+479	+24.1%
Cost of sales	553	492	-60	-11.0%
Profit margin on sales	1,435	1,975	+540	+37.7%
Distribution costs and general and administrative costs	1,102	1,126	+23	+2.2%
Operating profit	332	849	+516	+155.2%
Non-operating profit or loss	4	-9	-13	-
Ordinary profit	337	840	+503	+149.4%
Extraordinary income or loss	291	38	-252	-
Current profit	400	536	+135	+33.8%
Operating margin	16.7%	34.4%	+17.7P	-
Current profit per share (yen)	80.39	106.77	-	-
Monthly average number of unique users (10,000's of users)	220	308	+88	+40.0%

Results / Trends in Quarterly Results for FY2016 March



- The sales trend is the same period as previous years: 2Q→4Q→3Q→1Q
- Investments for experimental promotions, etc. were made during 4Q




Main Initiatives / Travelko-chan Press Releases for FY2016 March

(Abstracted after December 2015)

- Further improved product lineup and competitive power by performing system cooperation with online travel companies inside and outside Japan
- The high-speed travel comparison engine developed by our company is used by JAL, Seven Culture Network, etc.

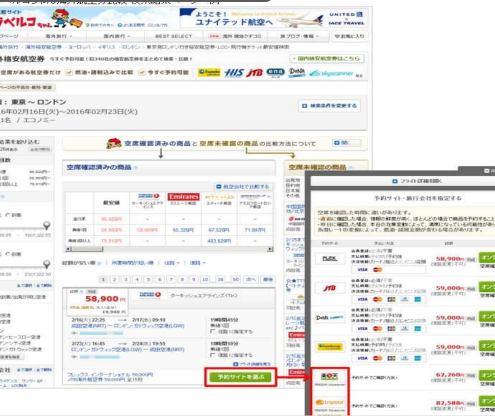
12/24	(International hotel affiliate)	Affiliated with JTB International hotel reservations. Doubled the amount of hotels that can be searched and compared.
01/13	(International hotel affiliate)	Affiliated with Rakuten Travel. Further enriched our hotel plans in popular areas, such as Hawaii.
02/04	(International hotel affiliate)	Affiliated with Ctrip, China's largest online travel site.
01/26	(International airline ticket affiliate)	Affiliated with Skyscanner. Enabled us to perform searches of all airline tickets posted on international sites
02/10	(International airline ticket affiliate)	Affiliated with eDreams international airline tickets. Greatly enriched our routes in Europe and North America.
03/04	(Domestic airline ticket affiliate)	Affiliated with DeNA Travel in regards to domestic airline tickets.
02/03	(Domestic DP affiliate)	Affiliated with JALPAK in regards to domestic dynamic packages.
03/03	(ASP provision)	Provided search system to "Seven Tabi Network" of Seven & i Holdings for domestic hotels search and comparison.
03/24	(ASP provision)	Provided search system for International hotel search and comparison to JAL's foreign hotel search site.

Hotel Affiliates




Affiliated with Rakuten Travel

Airline Affiliates



Affiliated with one of the worlds largest international airline ticket comparison site, Skyscanner

System provision



Provided search system for International hotel search and comparison to JAL's foreign hotel search site

Primary Initiatives / Expansion of Travelko-chan Reviews for FY2016 March



- Expanded reviews and articles by professionals in these destinations, introduced as “Review for overseas travel destinations” to 7,900 destinations in 91 cities.
- Beginning with gourmet food restaurants, hotels, and tourism spots, the page has been expanded to include information about shopping, model plans by budget and theme, information about potential warnings in the area, etc.

オアフ島(ハワイ) 観光地のプロ (6人) 詳細を見る

一覧表示 地図表示

グルメ (112) ホテル (21) 観光 (34) ショッピング (30) 危険情報 (11) モデルプラン (10)

アラモアナセンター | このスポットのショッピング情報を見る

エリア : ホノルル市街地
ジャンル : ショッピングセンター

更新日: 2014/10/09
ショッピングバッグを狙った置き引きや車上荒らしも頻発
旅行者だけでなく、ロコにも人気のハワイ最大級のショッピングセンターは、一見危険な場所には見えないものの、広
いだけに様々な犯罪も起きています。特に駐車場で車上荒らしが多く、車内に買ったばかりの商品を放っておく
のは危険。トランクにしましても、そこを見られたら狙われる、と書かれています。現在はパーキングがどこも工事
中とあって、暗い上に死角となる場所が多いので、レンタカーを借りる場合は要注意です。

更新日: 2015/04/07
3万円以上 **バルセロナの料理が熱い! ガストロノミープラン** (1日コース) 永谷 かおり (ライオン、各個人予約受付可能)

このモデルプランのポイント
食通たちに評価の高いレストランやパティスリー3箇所から楽しみながら、観光やウーリングを挟んだ超ゴージャス
コース。スペインは今や世界中の美食家たちを魅了していることで有名な国。研究熱心なスペイン人シェフたち
の精進と、広い大地の風土が育んだ豊富な食材の恵みをご覧ください!

このモデルプランのポイント
食通たちに評価の高いレストランやパティスリー3箇所から楽しみながら、観光やウーリングを挟んだ超ゴージャス
コース。スペインは今や世界中の美食家たちを魅了していることで有名な国。研究熱心なスペイン人シェフたち
の精進と、広い大地の風土が育んだ豊富な食材の恵みをご覧ください!

合計予算 約33,900円/人
所要時間 11時間10分
移動: 45分を含む

スケジュール

- 09:30~10:30 タバコ 24
移動: 5分 ルート表示
- 11:00~12:00 チョコレート
ミュージアム
移動: 5分 ルート表示
- 12:30~14:00 バルセロナ遊歩ク
ルーズ
移動: 15分 ルート表示
- 14:30~16:30 アルキミア
移動: 10分 ルート表示
- 17:00~18:30 サグラダ ファミリア
(教会)
移動: 5分 ルート表示
- 18:35~20:00 グラスア通り

更新日: 2015/04/07
09:30~10:30 **タバコ 24** | このスポットのレストラン情報を見る

エリア : エイザンブル
住所 : Carrer de la Diputacio, 269 Barcelona, Spain
ジャンル : スペイン料理 | バー | 居酒屋 | ビアホール
営業時間 : 9:00-24:00
定休日 : 日曜日

更新日: 2015/04/07
1万円未満 **マンハッタンを歩こう! 人気スポットをぶらりと巡るお
散歩プラン** (1日コース) 徳木 伸也 (ライオン、イベントの企画・運営)

このモデルプランのポイント
セントラルパーク周辺から、チエルシーまでを徒歩中心で巡るプランです。途中、タイムズスクエアを経由し
て、話題の観光スポットであるハイラインを歩いて下山していきます。適度に休憩を入れながら、歩きながらで
しかも味わい深い活気溢れるニューヨークを体験しましょう!

合計予算 約9,000円/人
所要時間 9時間20分
移動: 1時間20分を含む

スケジュール

- 09:00~09:30 ゼイバース
移動: 15分 ルート表示
- 10:00~10:30 ストロベリー
フィールズ
移動: 15分 ルート表示
- 11:00~12:00 タイムワーナー セ
ンター
移動: 10分 詳細を見る
- 12:30~13:30 シェイクシャック
(シアター・ディスト
リクト店)
移動: 5分 ルート表示
- 14:00~15:00 タイムズスクエア
移動: 20分 詳細を見る

更新日: 2015/04/07
09:00~09:30 **ゼイバース** | このスポットのショッピング情報を見る

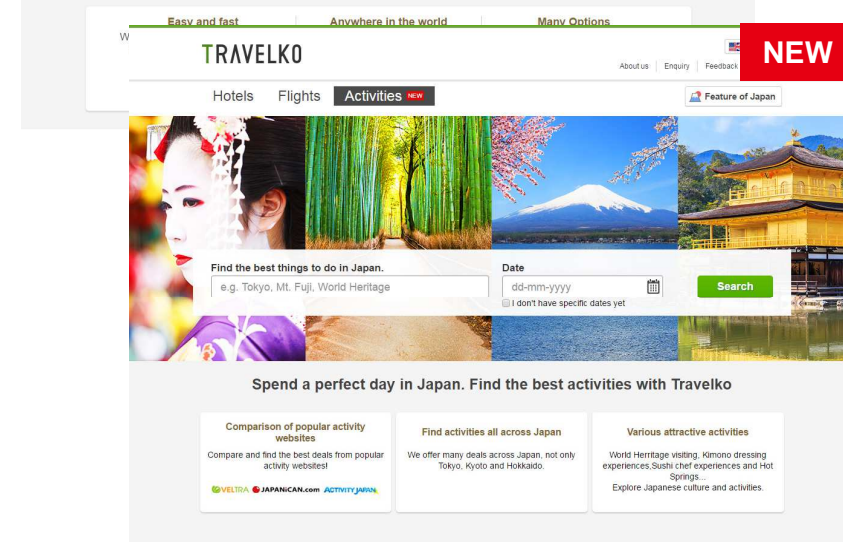
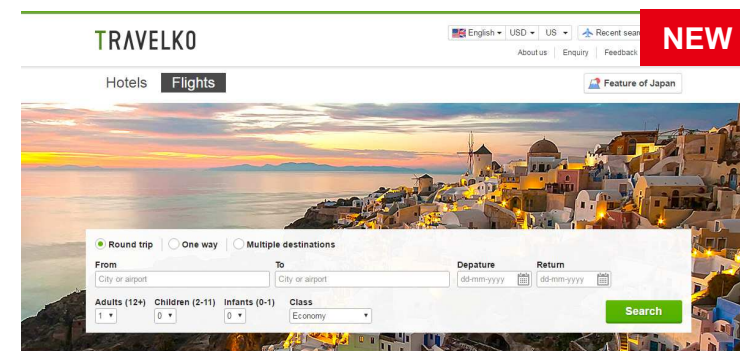
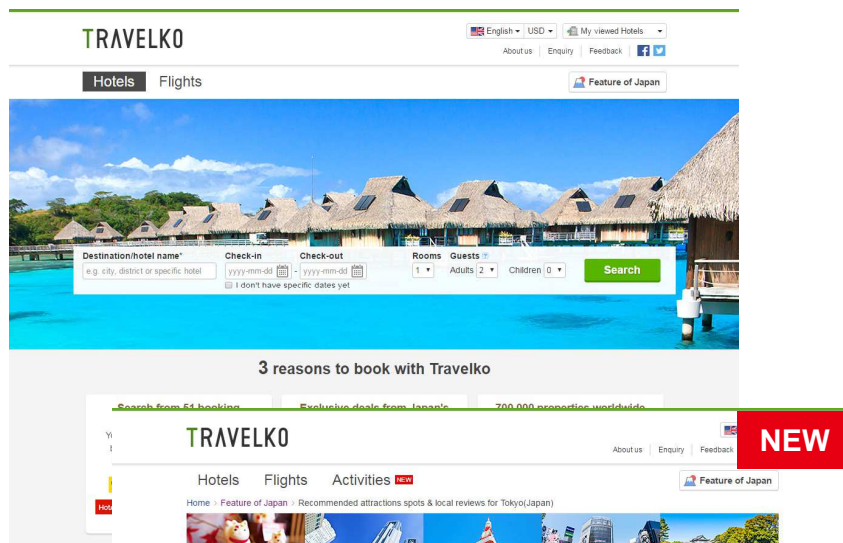
エリア : セントラルパーク/アッパーウエストサイド
住所 : 2245 Broadway (at 80th Street) New York, New York 10024, United States of America
ジャンル : 布電
営業時間 : [月-金]8:00-19:30, [土]8:00-20:00, [日]9:00-18:00

10 cities (May 2014)
50 cities (April 2015)
91 cities (March 2016)

Primary Initiatives/TRAVELKO (Global and Japan Inbound Market) for FY2016 March



- [Hotel Affiliates] Affiliated with Ctrip, China's largest online travel site. (2016/01)
- [New services] Released the multi-language airline ticket comparison. (2015/4)
- [New services] Released travel destination reviews in multiple languages for inbound customers. (2015/5)
- [New services] Released the Japan inbound market optional tours in multiple languages. (2015/11)



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Projection/Profit and Loss Statement for FY 2017 March

- These figures consider effects from the 2016 Kumamoto Earthquake that occurred in April
- Sales are aimed to experience a rate of the growth to the same extent seen in fiscal year ended March 2016
- The majority of the increases in costs are expected to remain in fixed costs, so the effects of an increased yield are expected to continuously increase the operating margin (+ 3.3P)

Unit: millions of yen	2016/3 Results	2017/3 Plan	Amount of change	Percentage of change
Sales	2,468	3,050	+582	+23.6%
Cost of sales	492	542	+50	+10.1%
Profit margin on sales	1,975	2,508	+533	+27.0%
Distribution costs and general and administrative costs	1,126	1,357	+231	+20.6%
Operating profit	849	1,150	+301	+35.4%
Non-operating profit or loss	-9	0	+9	-
Ordinary profit	840	1,150	+310	+36.9%
Extraordinary income or loss	38	0	-38	-
Current profit	536	690	+154	+28.8%
Operating margin	34.4%	37.7%	+3.3P	-
Current profit per share (yen) *	53.39	67.26	-	-

*1 The current profit per share is as of July 1, 2016, and this figure takes into consideration the effects of share splitting of two shares per one common share.

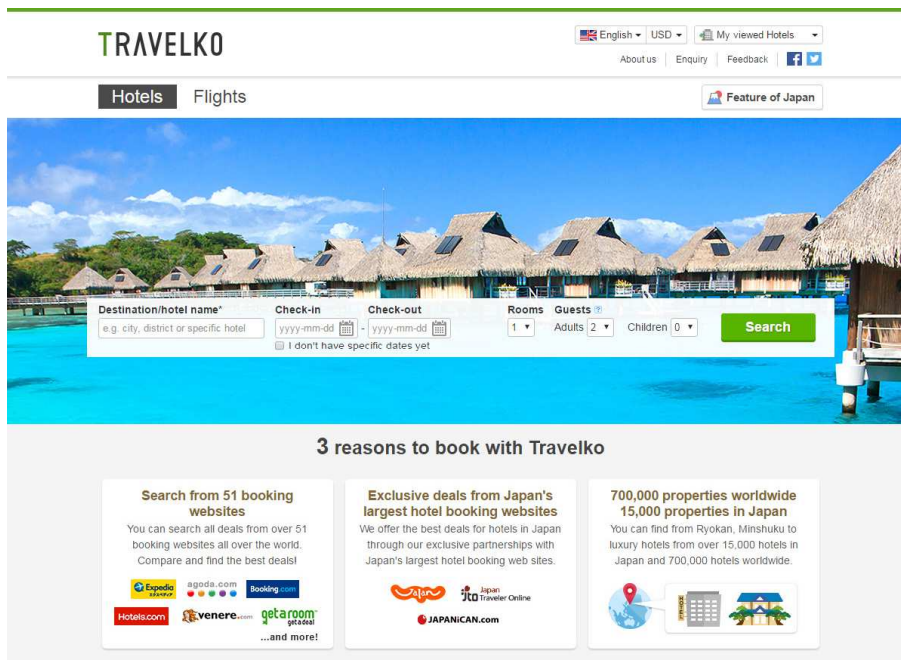
- Results for FY 2016 March: **2Q** → **4Q** → 3Q → 1Q
- Projection for FY 2017 March: **4Q** → **2Q** → 3Q → 1Q

- These take into consideration the effects of the 2016 Kumamoto Earthquake that occurred in April as stages in each quarter
- The profitability from large-scale switching of the billing menu to measure rate billing in the primary menu from 3Q and the further increase in the number of unique users thanks to the increase in the accessibility of information regarding flight seats and hotel rooms are expected

Future Initiatives / Travelko-chan (Domestic Markets)

The screenshot shows the Travelko website with a navigation bar at the top including '全国版', '地域変更', '海外旅行', '国内旅行', 'BEST SELECT', and '海外現地クチコミ'. Below the navigation bar, there are several promotional banners and search filters. The main content area is divided into '海外旅行' (Overseas Travel) and '国内旅行' (Domestic Travel) sections. The '海外旅行' section lists various packages like '海外ホテル', '海外ツアー', '海外格安航空券', '海外航空券+ホテル', 'オプショナルツアー', '海外鉄道予約', 'クルーズ', and 'ファイナルコール'. The '国内旅行' section lists packages like '宿・ホテル予約', '国内ツアー', '国内格安航空券', '国内航空券+ホテル', '日帰り旅行・体験', '格安高速バス', '国内格安レンタカー', and 'ファイナルコール'. On the right side, there is a '最安値一覧' (Lowest Price List) for '東京発' (Tokyo Depart) for the months of June and July, listing various destinations and their prices.

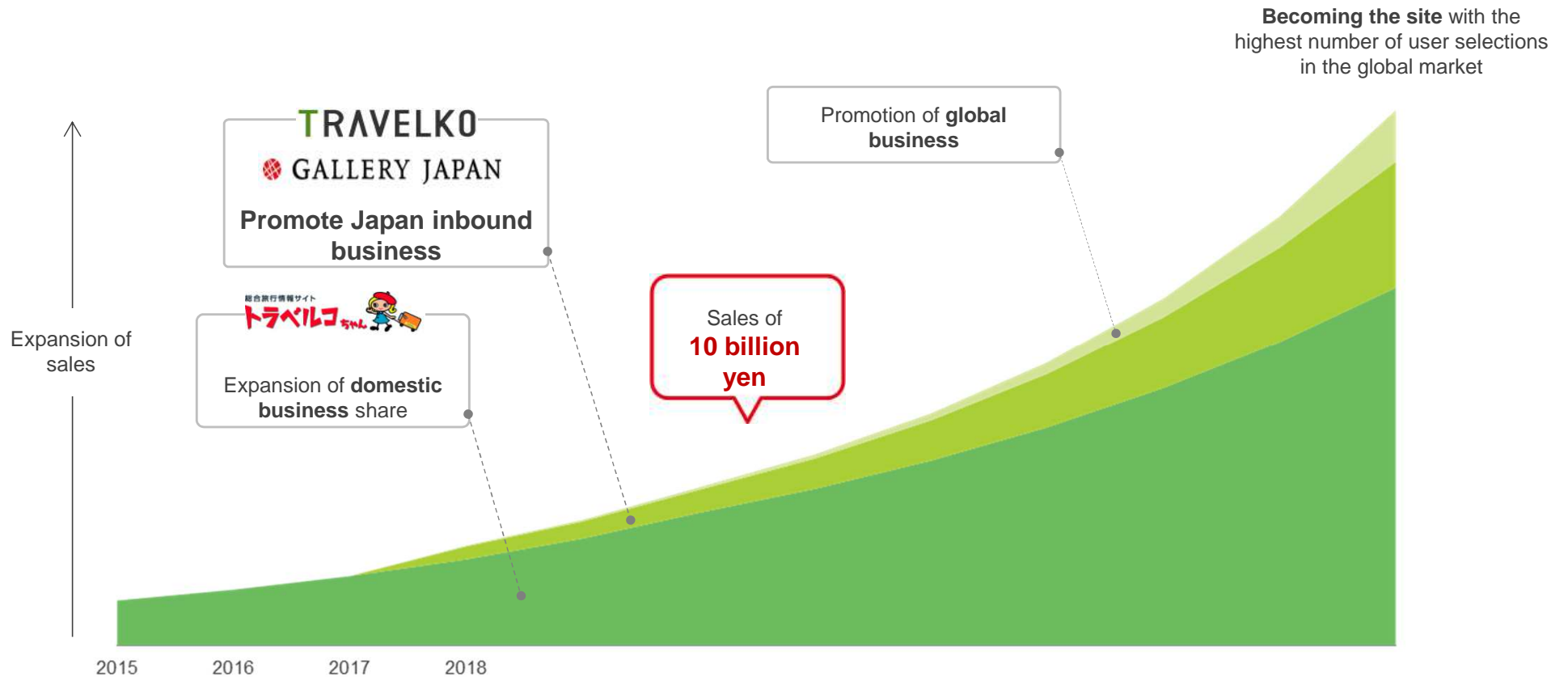
- ✓ Strengthen current services
- ✓ Begin reservation services for vacation rentals and restaurants
- ✓ Expansion of review information
- ✓ Provision for resources of travel guide applications that can be used at travel destinations
- ✓ Expansion of system provisions



- ✓ Increase affiliates with local travel companies in other countries
- ✓ Provide vacation rentals, package tours, and optional tours services
- ✓ Expand Japan inbound reviews

Image of Mid-term Growth

Aiming at becoming the site with the highest number of user selections in the global market



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Fiscal Year ended March 2016 Primary Breakdown of Cost of Sales, Selling and Administrative Costs, and General and Administrative Costs



- The central marginal income ratio of labor costs and personnel expenses has a high cost structure, so the percentage of sales are dropping in all items of expenditure

Unit : millions of yen	2015/3 Results		2016/3 Results			
	Results	Percentage of sales	Results	Amount of increase	Percentage of increase	Percentage of sales
Cost of sales	553	27.8%	492	-60	-11.0%	20.0%
Labor cost	313	15.8%	324	+11	+3.6%	13.2%
Other	240	12.1%	168	-72	-30.1%	6.8%
Distribution cost and general and administrative	1,102	55.4%	1,126	+23	+2.2%	45.6%
Labor cost	634	31.9%	688	+54	+8.4%	27.9%
Other	468	23.5%	438	-30	-6.4%	17.7%

Fiscal Year ended March 2016 Balance Sheet

Primary breakdown of added equity 919 million yen

- 2015/12/17 Added capital and capital reserves from Mothers stock market (+ 386 million yen)
- Current profit of Fiscal Year ended March 2016 (+ 536 million yen)

Unit: millions of yen	2015/3 Results	2016/3 Results	Amount of increase
Current assets	1,850	2,907	+1,056
Cash and deposits	1,587	2,533	+945
Other	262	373	-110
Fixed assets	400	377	-22
Total assets	2,250	3,285	+1,034
Current liabilities	450	565	+114
Fixed liabilities	12	12	+0
Total liabilities	463	578	+114
Total equity	1,787	2,706	+919
Capital	455	648	+193
Capital reserves	295	478	+183
Earned surplus	1,067	1,604	+536
Other	-31	-24	+7
Total liabilities and equity	2,250	3,285	+1,034

Fiscal Year ended March 2016 Statement of Cashflow



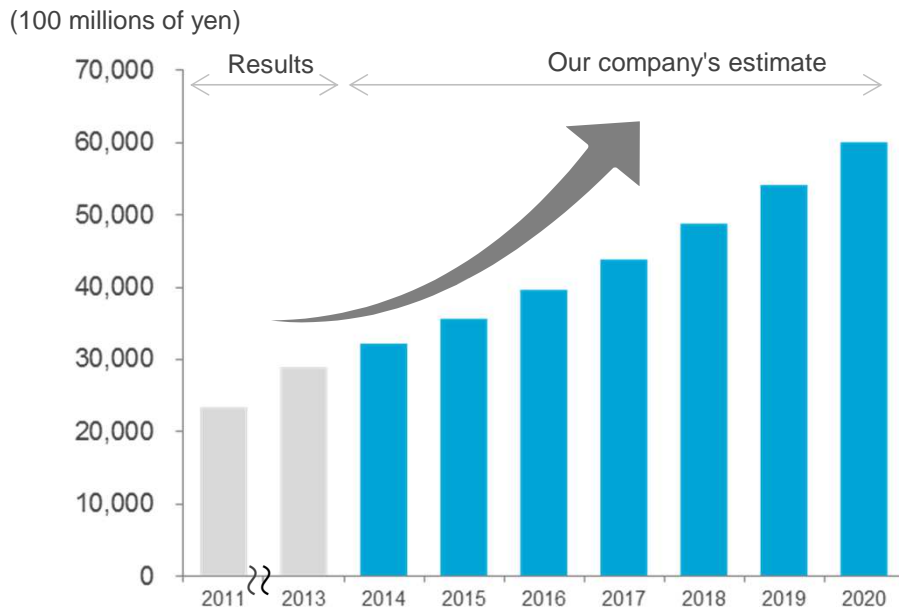
- 2015/12/17 Published new stocks in the Mothers stock market (+ 380 million yen)

Unit: millions of yen	2015/3 Results	2016/3 Results	
Cashflow from business activity	+316	+561	Income before income taxes 879 million yen Amount of corporate taxes paid -309 million yen
Cashflow from investment activity	+550	+4	—
Cashflow from financial activity	-1	+382	Income from issuance of shares 380 million yen
Changes in cash and equivalents	+866	+946	—
Balance of cash and equivalents at the end of the period	731	1,598	—
Final balance of cash and equivalents	1,598	2,544	—

Growth of travel online markets and inbound markets is expected to continue

Travel online market scale

Travel total market scale: 8.7 trillion yen
 Online market scale: **2.9 trillion yen** *1 (2013)
 An increase in **124%***1 from 2011 to 2013

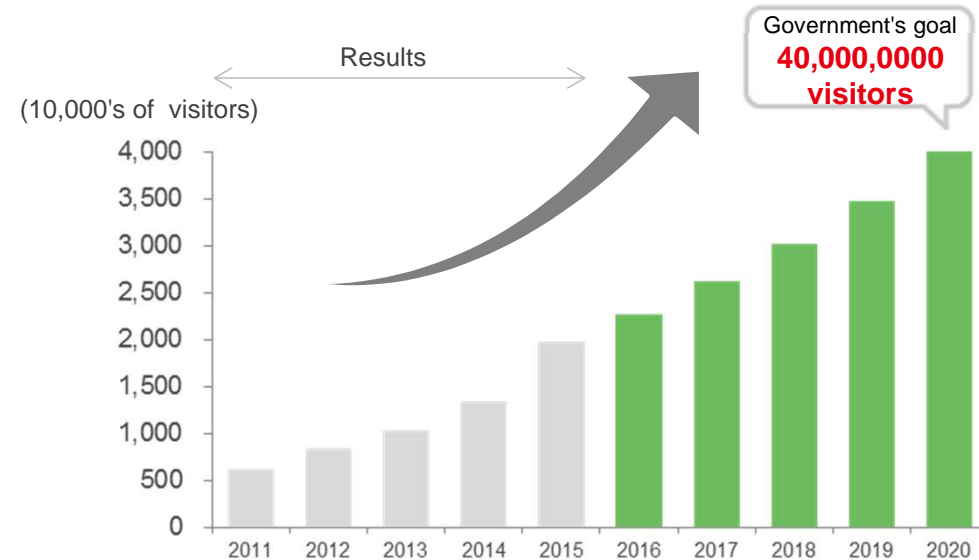


Growing inbound market

2015
 19,730,000
 visitors *3

→

2020
40,000,000
 visitors *4



* 1 Abstract from PhoCusWright Japan's "Survey of Japan's Online Travel Market, Second Edition"
 * 2 From the above-mentioned document, a growth rate of the yearly average +11% is assumed

*3 An abstract from the number of foreign visitors to Japan by JNTO (Japan National Tourism Organization)
 *4 An abstract from the proceeding of "Tourism Vision for Supporting to the Japan of Tomorrow"

- This document contains prospects associated with our company, future plans, business objectives, etc. The entries concerning these future prospects are based on our company's assumptions concerning future events and trends as of the making of this document, so there is no guarantee that the assumptions made by our company are completely accurate. Because of various factors, the actual results may differ drastically from those assumed in this document.
- Unless otherwise stated, the financial data contained in this document is shown based on the accounting principles generally recognized inside Japan.
- The occurrence of future events, etc. notwithstanding, our company will not necessarily make revisions to publications, etc. regarding future prospects that have already been published, except in cases in which revisions are requested because of bylaws concerning disclosure of the revisions.
- Information concerning companies other than our company is based on public knowledge that is generally known.

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