

Financial Results Presentation for Fiscal Year ended March 2017



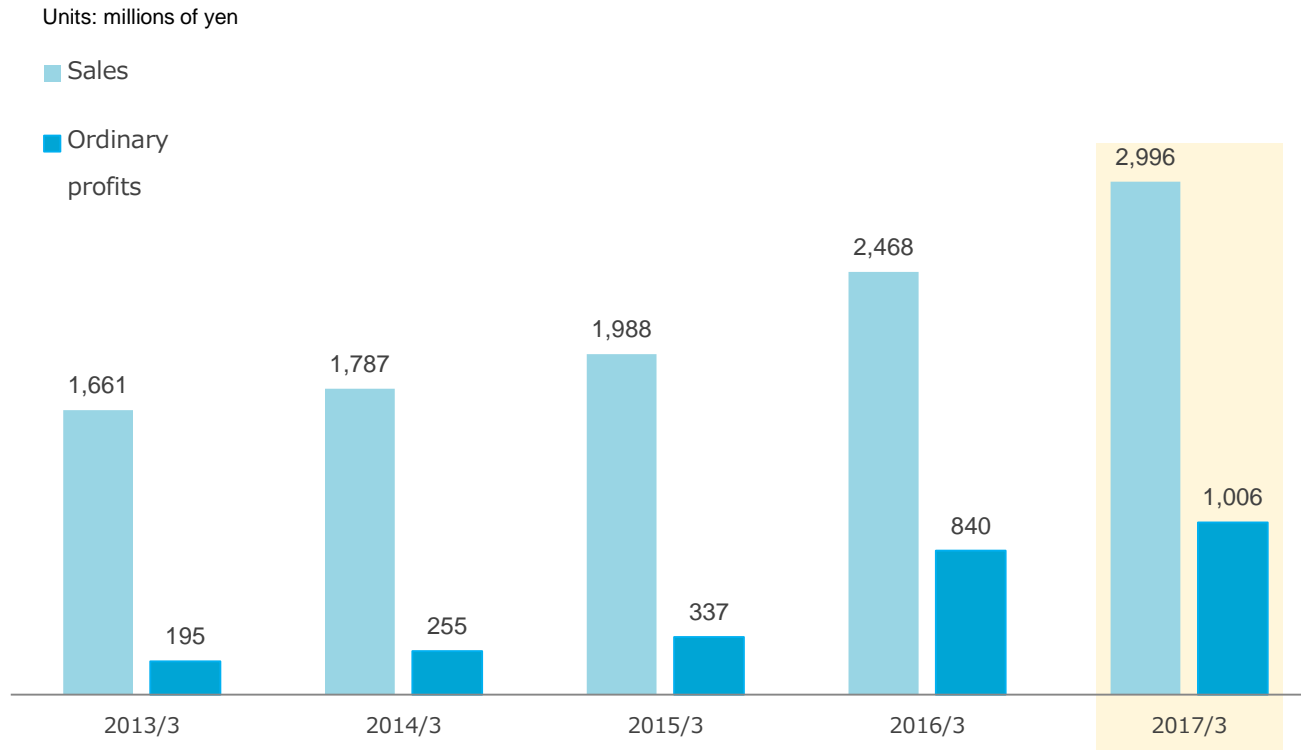
OpenDoor Inc.
(Stock Code: 3926)

1. Overview of Financial Results for Fiscal Year ended March 2017
2. Financial Projection for Fiscal Year ending March 2018
3. Reference Materials

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Trends of Business Results

Currently updating record highs in sales and in profits



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

Results / Profit and Loss Statement for FY2017 March

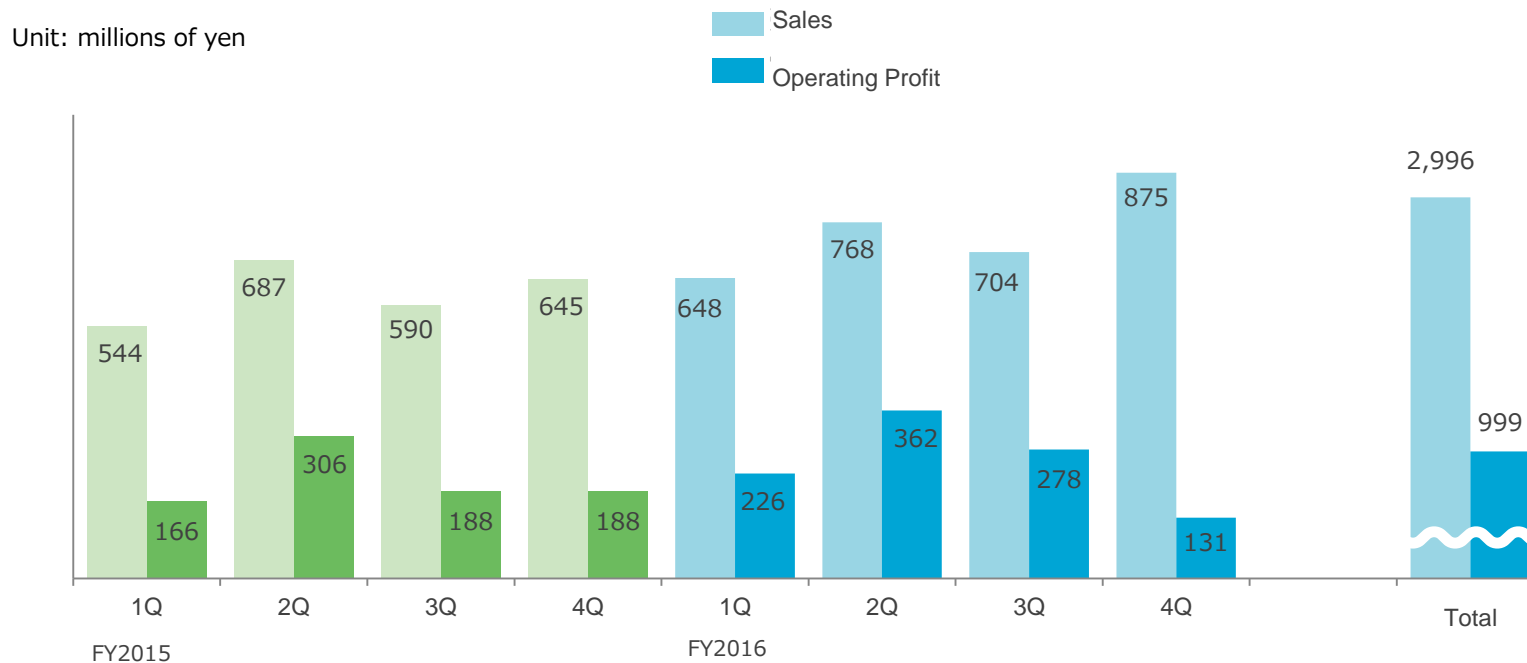
- The sales is -1.8% from projections, but 21.4% higher than same time last year.
 ※Drop of international travel products unit value was caused by the removal of fuel surcharge, increase of LCC departures from Japan, and shift in tour trends due to terror attacks.
 But, from February and on we see a recovery in unit value for international travel products.
- Although 230 million yen for television commercials was implemented as scheduled, the operating profit for 4Q was 8.5% higher than projected profit, and 17.6% higher than same time last year.

Unit: millions of yen

	2016/3 Results	2017/3 Results	Amount of change	Percentage of change	Progression Rate from original projection	2017/3 Projection ※
Sales	2,468	2,996	+528	+21.4%	-1.8%	3,050
Cost of sales	492	540	+48	+9.8%	-0.2%	542
Profit margin on sales	1,975	2,455	+480	+24.3%	-2.1%	2,508
Distribution costs and general and administrative costs	1,126	1,456	+330	+29.4%	-8.3%	1,587
Operating profit	849	999	+149	+17.6%	+8.5%	920
Ordinary profit	840	1,006	+165	+19.7%	+9.3%	920
Current profit	536	632	+96	+18.0%	+14.5%	552
Operating margin	34.4%	33.3%	-1.1P	-	-	30.2%
Current Profit per share (yen)	53.39	61.60	-	-	-	53.82
Monthly average UU(10K Ppl)	308	373	+65	+21.0%		

Results / Trends in Quarterly Results for FY2017 March

- In 3Q, the main products shifted from flat rate billing to measure rate billing resulted in an increase in sales, and shifted the sales trend to the normal trend 4 Q→2 Q→3 Q→1 Q
- Mass media advertising was implemented in the 4 Q



- 1/05 (Japan site) Top page renewal travel comparison website and name change of site and logo
- 2/24 (Japan site) New service "Rate tracking e-mail" added to international flight tickets. Users notified by e-mail of low costs when flight criteria is registered
- 3/01 (Japan site) Affiliate with T Travel in Domestic flight tickets. Increased selection of domestic flight tickets with Jetstar.
- 3/15 (Global site) Affiliate with Taiwan and HongKong's No.1 inbound information site "Lets Go! Japan". Provide global sites' hotel comparison.
- 3/21 (Japan site) Release of Android version of offline map "TravelkoMap"! Increased popular destinations to 96 cities.
- 3/23 (OpenDoor) Implemented the domestic hotel search and comparison system to JAL.

Renewal and change of logo and site name.



Top page renewal and name change of site and logo

Android version of offline map



Release of Android version of offline map "TravelkoMap"

Implementation of system to JAL



Implementation of domestic hotel search and comparison system for JAL.

- Alongside renewal of the website, the name of the service was changed from Travelko-chan to Travelko, and the logo was updated.
- Ongoing efforts were made to actively build system partnerships, including everything from popular travel websites, to airline companies and guesthouse platforms.
- The provision of cross-search systems in cooperation with strategic partners was expanded.
- A free map application called TravelkoMap was released that can also be used offline.

Services

- Website renewal
- E-mails for tracking overseas air ticket prices
- New domestic one-day bus tour service

New Partnerships

- Yahoo! Travel
- T Travel
- Hotels.com
- Airbnb...and many more

System Supply

- JCB Travel
- JAL
- Japan Ryokan & Hotel Association “YADO NIHON”
- Geelee Media “Let’s Go! Japan”

Applications

- TravelkoMap



New Travelko logo



Yahoo! Travel accommodation plans



Let's Go! Japan

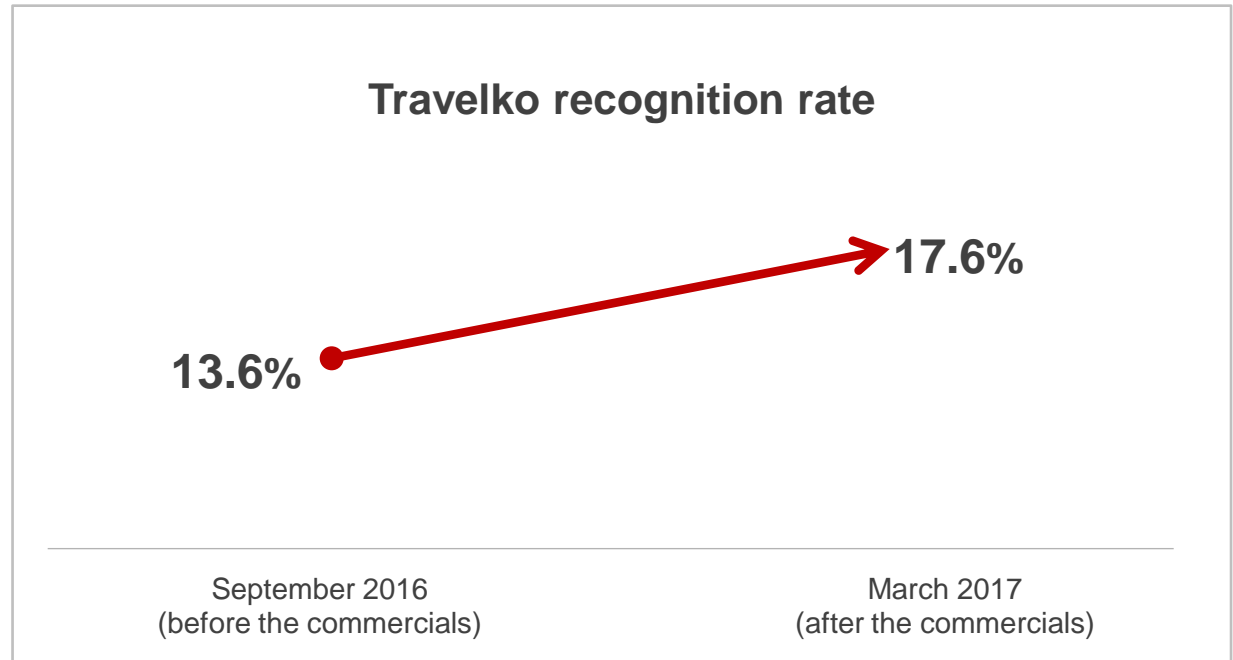


TravelkoMap

- Since January 2017, Travelko TV commercials - “Scenes with Visible Prices” – have been broadcast in three areas - Tokyo, Nagoya and Osaka



In March 2017, **4,620,000 Unique Users**, the largest ever number, were recorded (up 125.6% year on year)



Source: OpenDoor’s own survey (April 2017)
 Survey respondents: Male and female respondents from across the Japan aged 18 to 59 who have been on a trip that involved staying at accommodation, for either private or business purposes, from a sample of 10,000.

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FY 2018 March – Projection / Profit and Loss Statement

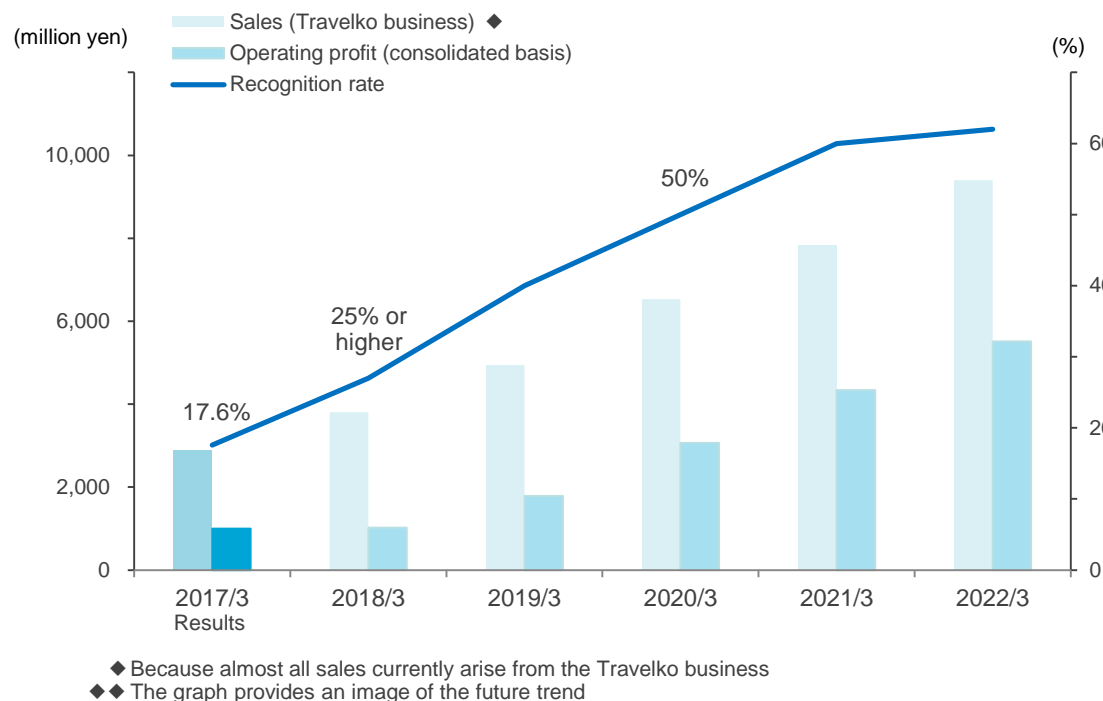
- The “recognition rate” has been chosen as the most important performance indicator for FY 2018 March. The aim is to use commercials etc. to achieve a recognition rate of 25% or higher (17.6% as of March 2017). However, external factors have included unstable fluctuations in the listing order on search engines, which has increased since last summer through to April, as well as issues such as the bankruptcy of a travel company at the end of March, terrorist attacks in Europe, and the political situation on the Korean Peninsula. These factors hindered efforts to measure the impact of commercials in the last fiscal year. For this reason, the impact of commercials will be measured on a simultaneous basis, and the amounts spent will be adjusted flexibly within a targeted range of 300 million yen to 1 billion yen. In view of the fact that the amount to be spent has been left undecided, the projection for sales and operating profit have been expressed as a range.
- An increase in relocation costs of 130 million yen is projected in relation to the relocation of the Tokyo head office, which will be carried out in July 2017.

Unit: millions of yen

	Results FY 2017 March	Projection for FY 2018 March		Change		Year on year	
Sales	2,996	3,700 ~	4,000	+703 ~	+1,003	+23.5% ~	+33.5%
Cost of sales	540	680 ~	680	+139 ~	+139	+25.7% ~	+25.7%
Profit margin on sales	2,455	3,020 ~	3,320	+564 ~	+864	+23.0% ~	+35.2%
Distribution costs and general and administrative costs	1,456	1,820 ~	2,520	+363 ~	+1,063	+24.9% ~	+73.0%
Operating profit	999	800 ~	1,200	-199 ~	+200	-19.9% ~	+20.1%
Non-operating profit/loss	6	0 ~	0	-6 ~	-6	- ~	-
Ordinary profit	1,006	800 ~	1,200	-206 ~	+193	-20.5% ~	+19.3%
Extraordinary profit/loss	-2	0 ~	0	+2 ~	+2	- ~	-
Current profit	632	480 ~	720	-152 ~	+87	-24.1% ~	+13.8%
Current net profit per share (yen)	61.6	46.54 ~	69.81				

Image of Mid-term Growth in Travelko Business

- The recognition rate of the top brand in the travel industry is approximately 70%. Travelko aims to achieve a recognition rate of 50% over the next three years (FY 2020 March).
- The increase in unique users, which contributes directly to sales, happens in proportion to the recognition rate as well as the level of establishment of the company's impression as a major brand. For this reason, it is forecast that the number of unique users and sales will have a delayed link to the rising recognition rate curve, and continue to grow.
 - * It is anticipated that a certain level of ongoing investment in mass advertising will be continued for the purposes of maintaining the impression of a major brand.
 - ** For sales to grow in proportion to the recognition rate, in addition to the above, it is also important that products are price competitive. However, this is one of the company's strengths, and for this reason we anticipate being able to maintain price competitiveness.



Travelko website interface showing various travel services and a price comparison table.

国内旅行

国内ホテル	日帰り旅行・体験
国内格安航空券	高速バス・夜行バス
国内ツアー	国内レンタカー
国内航空券+ホテル	ファイナルコール

海外旅行

海外ホテル	オプションツアー
海外格安航空券	クルーズ
海外ツアー	海外鉄道予約
海外航空券+ホテル	ファイナルコール

最安値一覧

国内ツアー	国内ホテル	海外ツアー(燃油込)
札幌2日 1,685円	札幌 2,250円	ソウル3日 1,475円
旭川3日 2,685円	琵琶川温泉 3,240円	香港3日 2,195円
金沢2日 1,825円	東京 2,193円↑	バンコク4日 2,485円
大沢2日 1,865円	TDR 4,450円	ホノルル5日 6,785円
京都2日 1,655円	横浜 4,550円	ロサンゼルス5日 7,325円
博多・福岡2日 1,885円	福岡 3,670円	パリ6日 5,485円
那覇3日 2,085円	那覇 3,300円	ローマ6日 6,305円
沖縄ビーチ(那覇村)3日 2,085円	那覇 400円	クアンス5日 6,205円
		台北3日 1,765円↑
		クアム4日 2,985円
		シンガポール4日 3,185円↓
		バリ島5日 2,975円↓
		ニューヨーク5日 8,485円
		ロンドン6日 5,685円
		パリ7日 7,305円
		ハワイ6日 6,905円

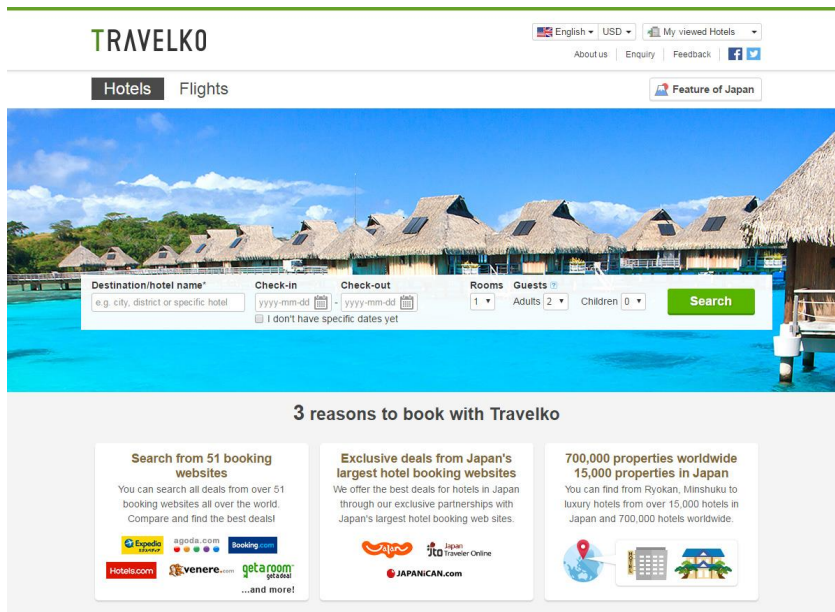
国内旅行記事

- 週末は伊勢志摩旅行に行こう! 週末の子供旅行にぴったり! 1泊2日で遊ぶモデルコースをご紹介! By スタッフのんぞー
- 国内一人旅徹底ガイド 一人旅におすすめのテーマとその旅行先を紹介! 女子も男子も必見! By スタッフ まりーな

海外旅行記事

- 行ってよかった! 海外一人旅* トラベルスタッフが実際に体験し一人旅の魅力! 体験談とおすすりスポット By スタッフ カナ
- 2・3・4日間でいける海外旅行 週末・ちょっぴりの高橋まで、こんなところへ海外旅行で遊びます! By スタッフ カナ

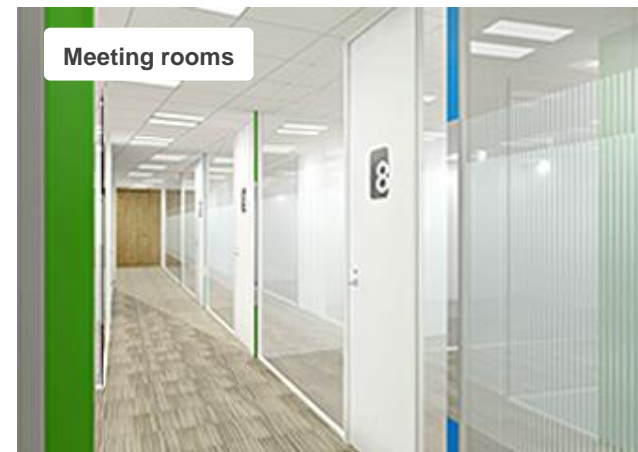
- ✓ Reinforcement and mobile of the existing menus
- ✓ Development of rail dynamic packaging comparison
- ✓ Renewal of Highway bus and overnight bus comparison
- ✓ Implementation of overseas Wi-Fi rental comparison
- ✓ Expansion of travel reviews by travel professionals
- ✓ Expansion of contents for “Travelko Map” application
- ✓ Expansion of system offers
- ✓ Implemented a more thorough guidelines for posted content to provide a higher assurance of service quality.



- ✓ Strengthen affiliates with local travel agencies
 - Launched affiliate with Taiwan’s largest travel agency, Lion Travel, on April 6th, 2017
- ✓ Begin product comparison for BnB rentals, Package tours, Optional tours
- ✓ Increase inbound review content in multi languages.
- ✓ Implement system to inbound media

Notice of Headquarters Relocation

- It has been decided to relocate the headquarters to handle the increase in staff and to improve work efficiency.
- Location of new office building: 6F, Akasaka Tameike Tower, 2-17-7, Akasaka, Minato-ku, Tokyo
- Timing of relocation: July 2017 (planned)



* The pictures are representative images of the new office

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Fiscal Year ended March 2017 Primary Breakdown of Cost of Sales, Selling and Administrative Costs, and General and Administrative Costs



- Increase of media costs in 4Q, due to mass media implementations including television commercial.

Unit : millions of yen	2016/3 Results		2017/3 Results			
	Results	Percentage of sales	Results	Amount of increase	Percentage of increase	Percentage of sales
Cost of sales	492	20.0%	540	+48	+9.8%	18.0%
Labor cost	324	13.2%	356	+31	+9.8%	11.9%
Other	167	6.8%	184	+16	+10.0%	6.2%
Distribution cost and general and administrative	1,126	45.6%	1,456	+330	+29.4%	48.6%
Labor cost	688	27.9%	697	+9	+1.4%	23.3%
Other	437	17.7%	758	+321	+73.4%	25.3%

Balance Sheet / FY2017 March

- Financial results show steady performance, with 638 million yen increase in net assets.

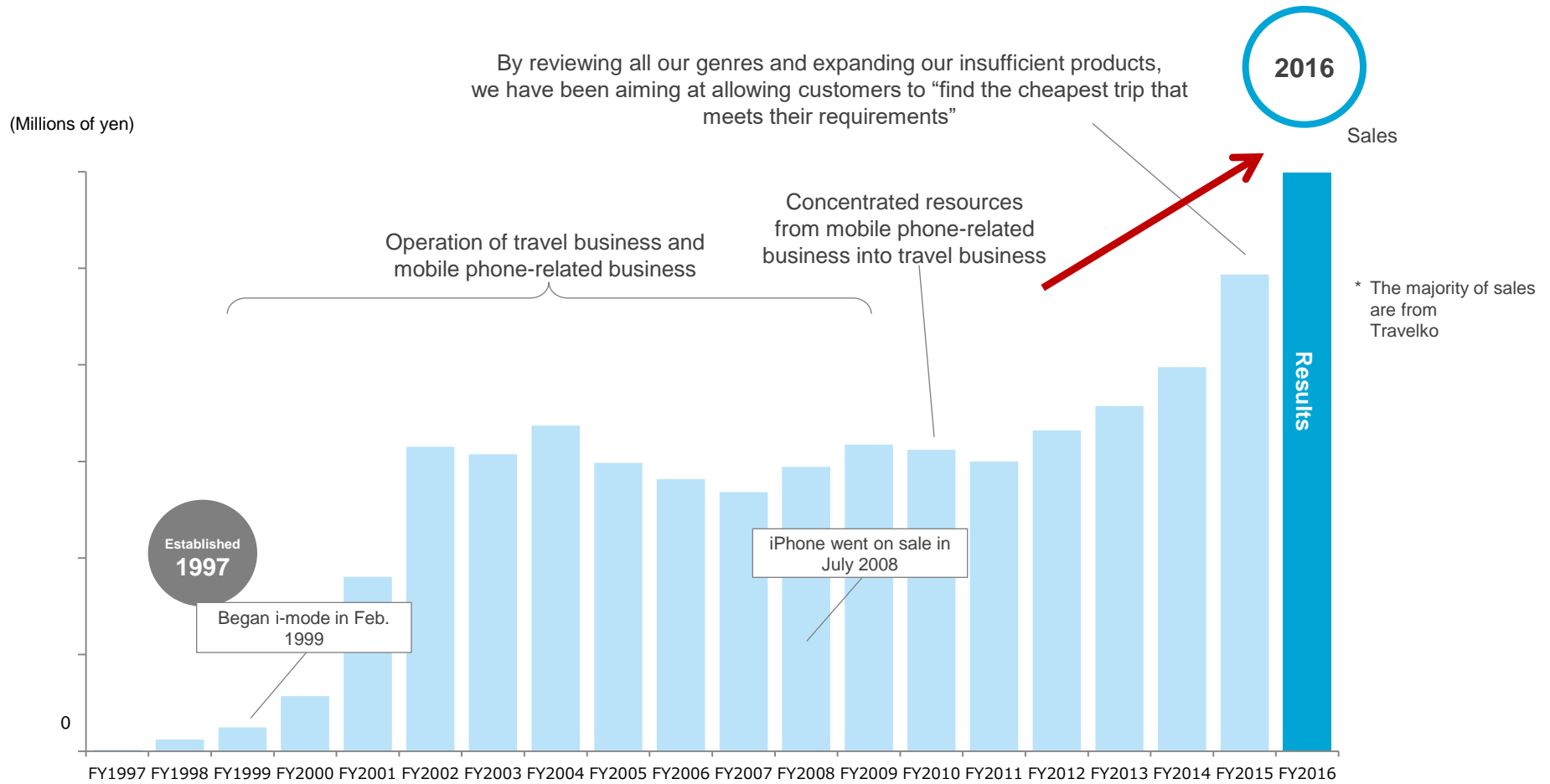
Unit: millions of yen	2016/3 Results	2017/3 Results	Amount of increase
Current assets	2,907	3,591	+683
Cash and deposits	2,533	2,993	+459
Other	373	598	+224
Fixed assets	377	458	+81
Total assets	3,285	4,050	+765
Current liabilities	565	702	+137
Fixed liabilities	12	2	-10
Total liabilities	578	704	+126
Total equity	2,706	3,345	+638
Capital	648	648	-
Capital reserves	478	475	-3
Earned surplus	1,604	2,236	+632
Other	-24	-14	+9
Total liabilities and equity	3,285	4,050	+765

Fiscal Year ended March 2017 Statement of Cash flow

- Cash and Cash equivalents increased to 440 million yen, for total of 2,990 million.

Unit: millions of yen	2016/3 Results	2017/3 Results	
Cash flow from business activity	+561	+600	Income before income taxes 1,003 million yen Amount of corporate taxes paid -415 million yen
Cash flow from investment activity	+4	-158	Payments for lease and guarantee deposits -132 million yen
Cash flow from financial activity	+382	+6	
Effect of exchange rate changes on cash and cash equivalents	-2	+0	
Changes in cash and equivalents	+946	+448	—
Cash and cash equivalents at beginning of year	1,598	2,544	—
Cash and cash equivalents	2,544	2,993	—

Company name	OpenDoor Inc.
Date of establishment	April 1997
Representative	Daisuke Sekine, President and Representative Director
Capital	648 million yen
Description of business	Travel comparison site “Travelko” 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 143 employees



A travel comparison site that allows you to search and compare products from more than 350 booking websites.

理想の旅をいちばん安く。 **トラベルコ** TRAVELKO

初めての方へ よくある質問 メルマガ

JTB、H.I.S.、じゃらんnet、楽天トラベル、Expedia、Booking.comなど、国内外350以上の予約サイトと連携！

レジャー・ビジネス・格安・5つ星など、あらゆる目的に応じたプラン・チケットを網羅！

価格重視派も、こだわり派も満足の旅が見つかる豊富な検索条件！

燃油サーチャージ、空港諸税、リゾートフィーなどを含んだ、参加人数の合計料金でも比較可能！

トラベルコのテレビCM放映開始！CMギャラリーにて動画公開中！

国内旅行		海外旅行	
国内ホテル	日帰り旅行・体験	海外ホテル	オプションツアー
国内格安航空券	高速バス・夜行バス	海外格安航空券	クルーズ
国内ツアー	国内レンタカー	海外ツアー	海外鉄道予約
国内航空券+ホテル	ファイナルコール	海外航空券+ホテル	ファイナルコール

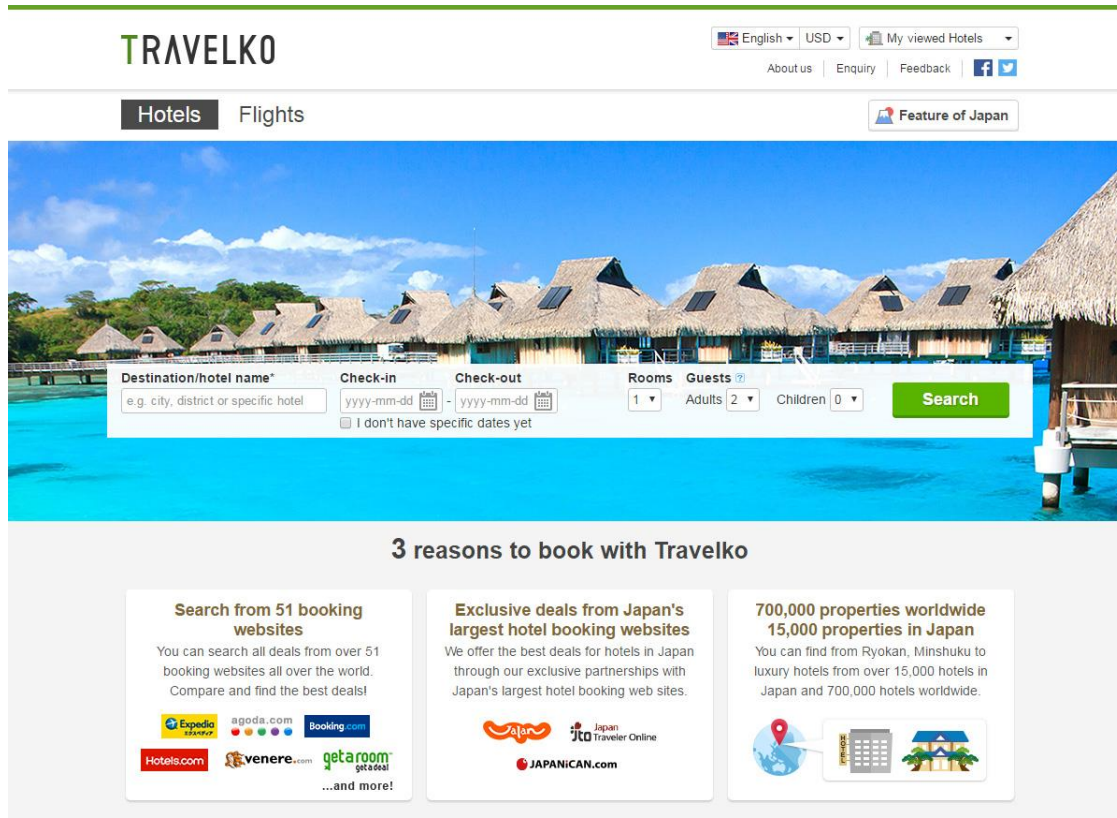
> 日帰りバスツアー > 旅行見積り > ベストセレクト > 留学・ワーホリ > 旅行見積り > レンタカー > ベストセレクト

最低値一覧 東京発 3月 4月 【マーク説明】 ↓↑…最低値の更新商品あり ※2月2日時点の情報です

国内ツアー		国内ホテル		海外ツアー(燃油込)	
札幌2日	1.68万円	札幌	1,850円	ソウル3日帰	1.68万円
富良野2日	0.75万円	鬼怒川温泉	3,213円	香港3日帰	2.48万円
白馬3日	1.38万円	東京	1,875円	バンコク4日帰	2.98万円 ↑
				台北3日帰	1.58万円
				グアム4日帰	5.58万円
				シンガポール4日帰	2.85万円 ↓



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

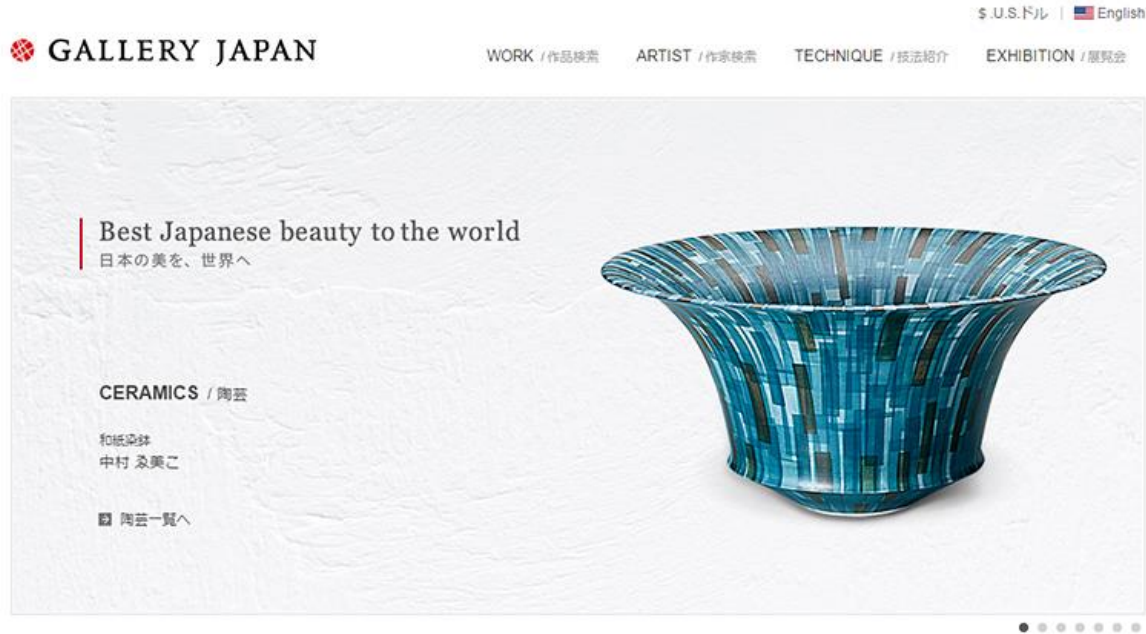


Started in October 2014

Supported Languages

- English
- Chinese Simplified
- Chinese Traditional (Taiwan)
- Chinese Traditional (Hong Kong)
- Korean

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



Started in in October 2014

Supported Languages

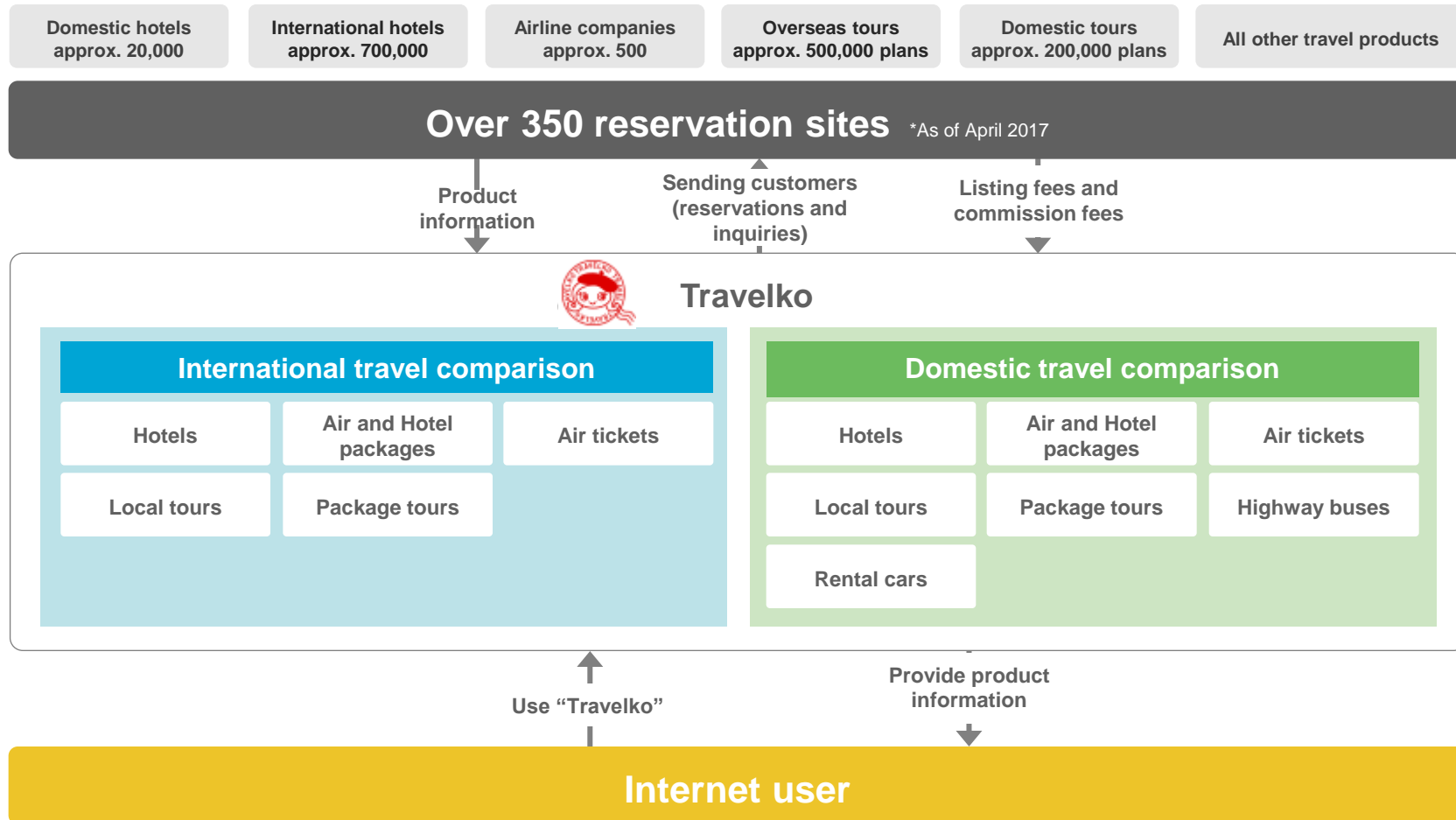
English
Japanese

WORK / 作品紹介



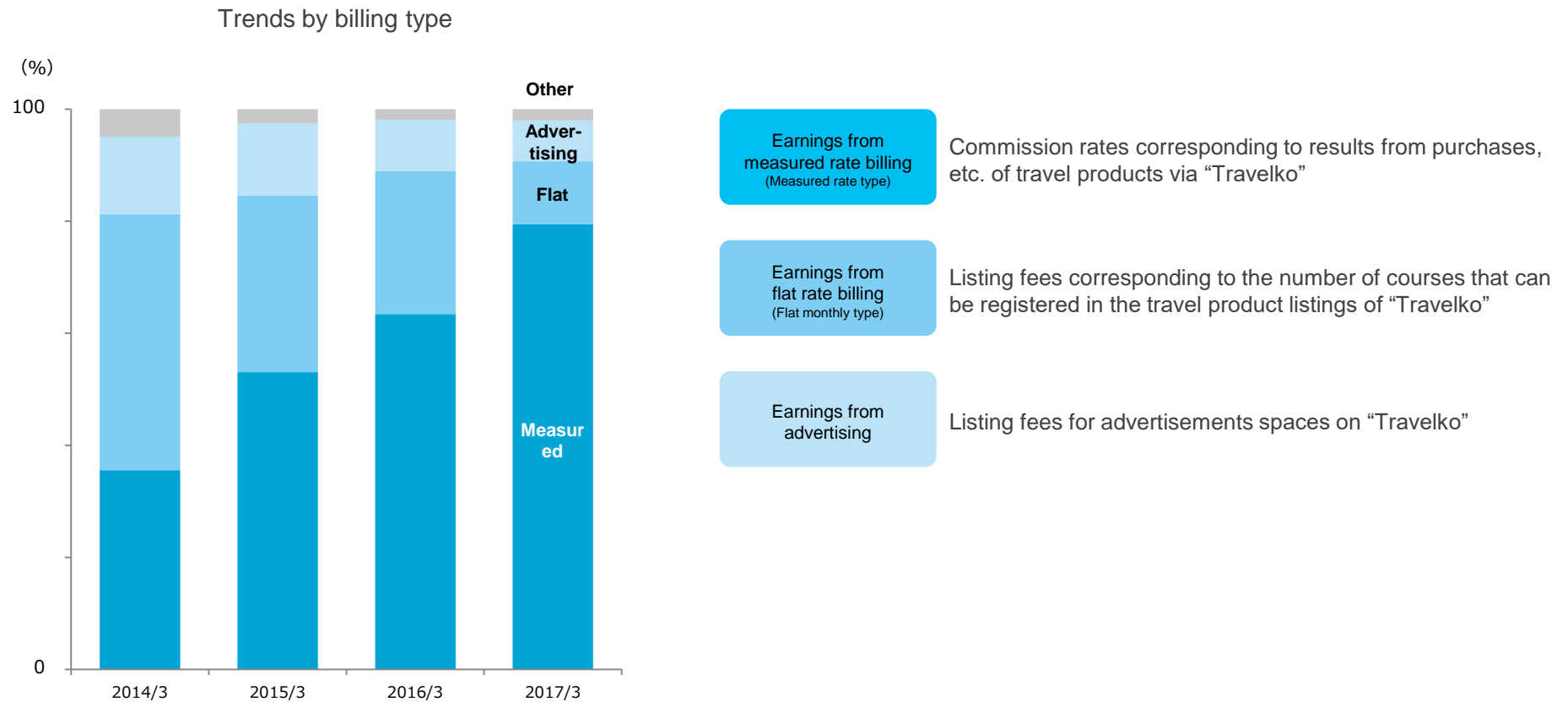
“Travelko” / Business Model

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



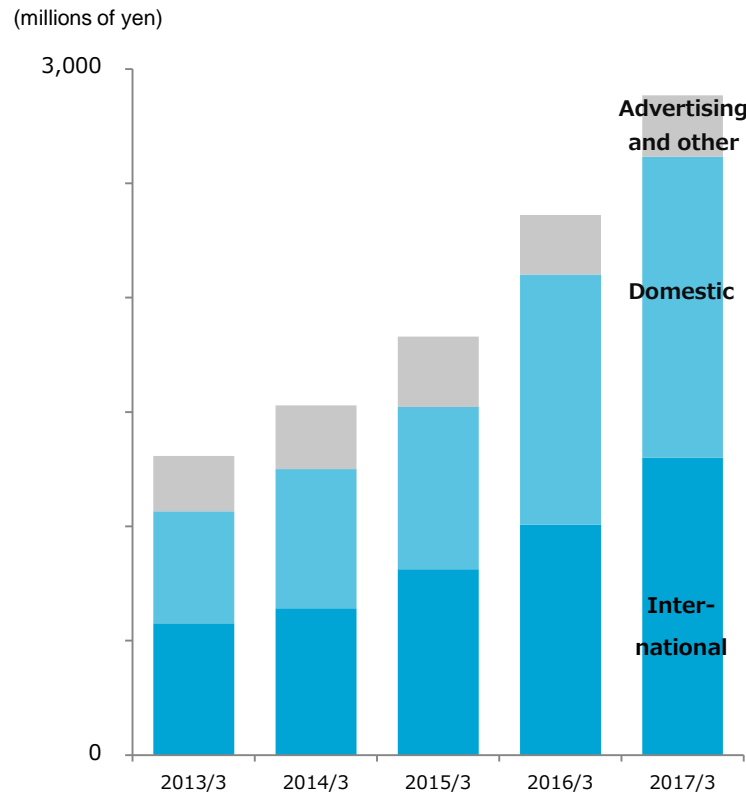
“Travelko” / Revenue model

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.

Trends in the ratio between international and domestic sales



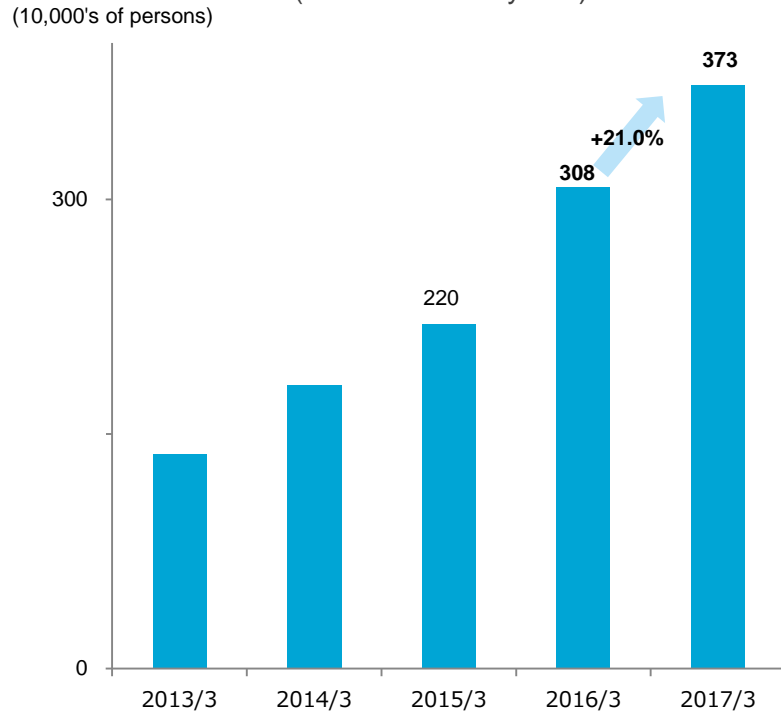
Flexibly corresponds to changes in market trends due to changes in international or domestic popularity or because of sudden events such as terrorist attacks, etc.

A structure that is resistant against exchange fluctuations

“Travelko” / Trends in Unique Users, and User Attributes

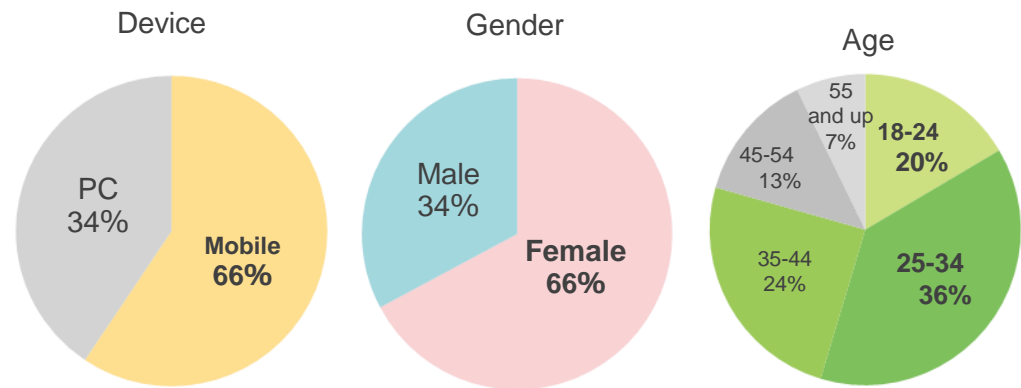
Characteristics are the smooth increase in the number of unique users and the fact that the user segments include many F1 users (females aged 20-34) who are cost and content conscious of products.

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



* 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

User attributes *2



* The majority of genres are now supported on smartphones

We are favored by the **F1 users** who are **cost and content conscious** of products.



* 2 2016/4 - 2017/3 access analysis data of our company

Top-class domestic product competitiveness

- ✓ **Coverage** of the majority of **genres***, and price comparison connected with inventory information
- ✓ Comparison possible between over 350 reservation sites, **overwhelming cost competitiveness**
*Product genres such as package tours, hotels, air tickets, dynamic packages, etc.

High profitability

- ✓ Great increase in users even with only using reviews, thanks to a high price competitiveness
- ✓ 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
(Not including large investments and promotions**)
**With the gain of a new type of users in March 2017, a TV commercial publicity were set up to speed up the growth.

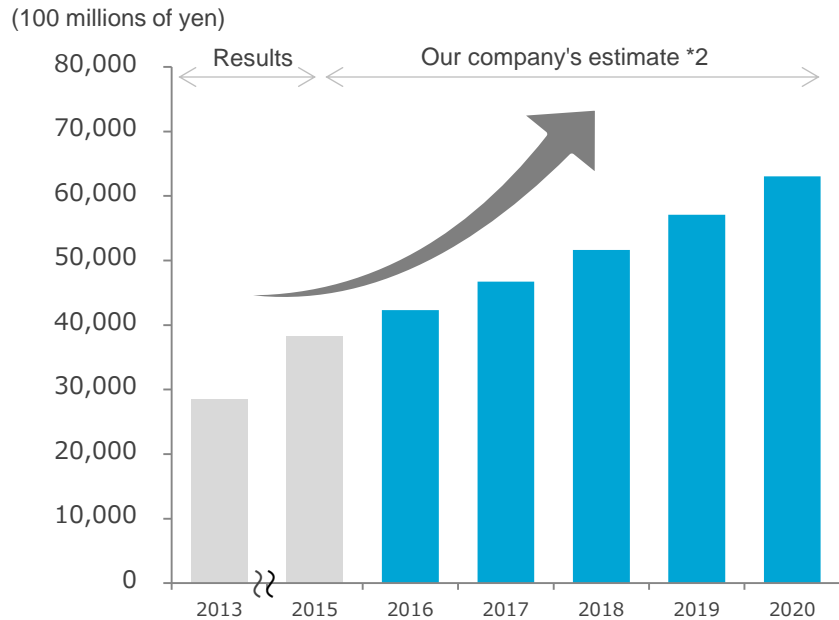
High growth in the number of unique users

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

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

Travel online market scale

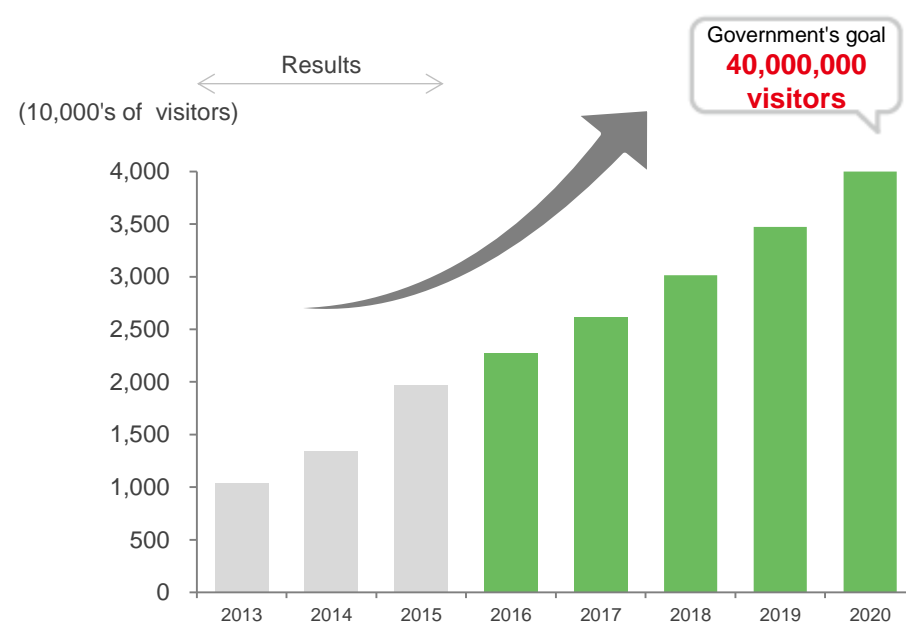
Travel total market scale: 9.7 trillion yen
 Online market scale: **3.8 trillion yen** *1 (2015)
 An annual increase of **15%**



* 1 Abstract from PhoCusWright Japan's "Survey of Japan's Online Travel Market, Third Edition"
 * 2 From the above-mentioned document, a growth rate of the yearly average +10% is assumed

Growing inbound market

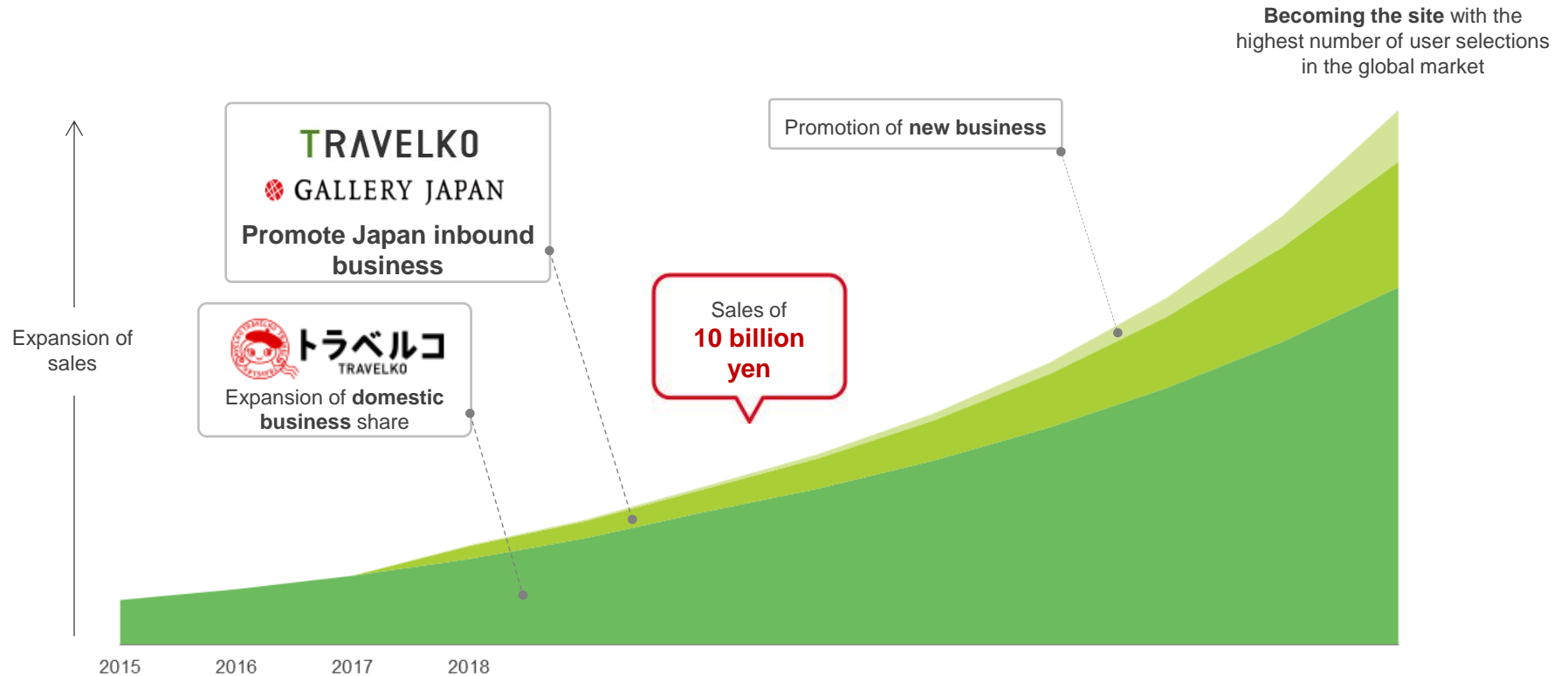
2016
 24,030,000 visitors *3 → 2020
40,000,000 visitors *4



*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"

Image of Mid-term Growth

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



- 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.

OpenDoor Inc.

For inquiries regarding this document or IR,
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