

# Financial Results for First Quarter of Fiscal Year Ending March 2021



OpenDoor Inc.  
(Stock Code: 3926)

1. Highlights
2. Impact of COVID-19 Pandemic
3. First Quarter: Financial Overview
4. FY2021 March: Financial Projections
5. Main Future Initiatives
6. Reference Materials

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## ■ Impact of COVID-19 Pandemic

- Travel demand dropped sharply due to the preventive measures taken against the spread of COVID-19 such as border closures and restrictions or prohibitions on outings in many countries, including Japan, and seriously affected our business performance in the 1Q of FY2021.
- Although there will be some gap in the degree of damage between Japan and overseas, it is expected to take a long time until people become able to travel as before.  
\* See Page 5 “Impact of COVID-19 Pandemic.”

## ■ Results for 1Q FY2021 March

- Sales: **118 million yen (down 90.9% YoY)**; operating profit: **down 345 million yen (558 million yen** in the same period of the last year)
- Sales fell sharply because travel demand declined dramatically due to the spread of COVID-19.
- We have suppressed costs in order to reduce the operating loss by controlling sales promotions, including TV commercials, according to the travel demand.

## ■ FY2021 March: Financial Projections

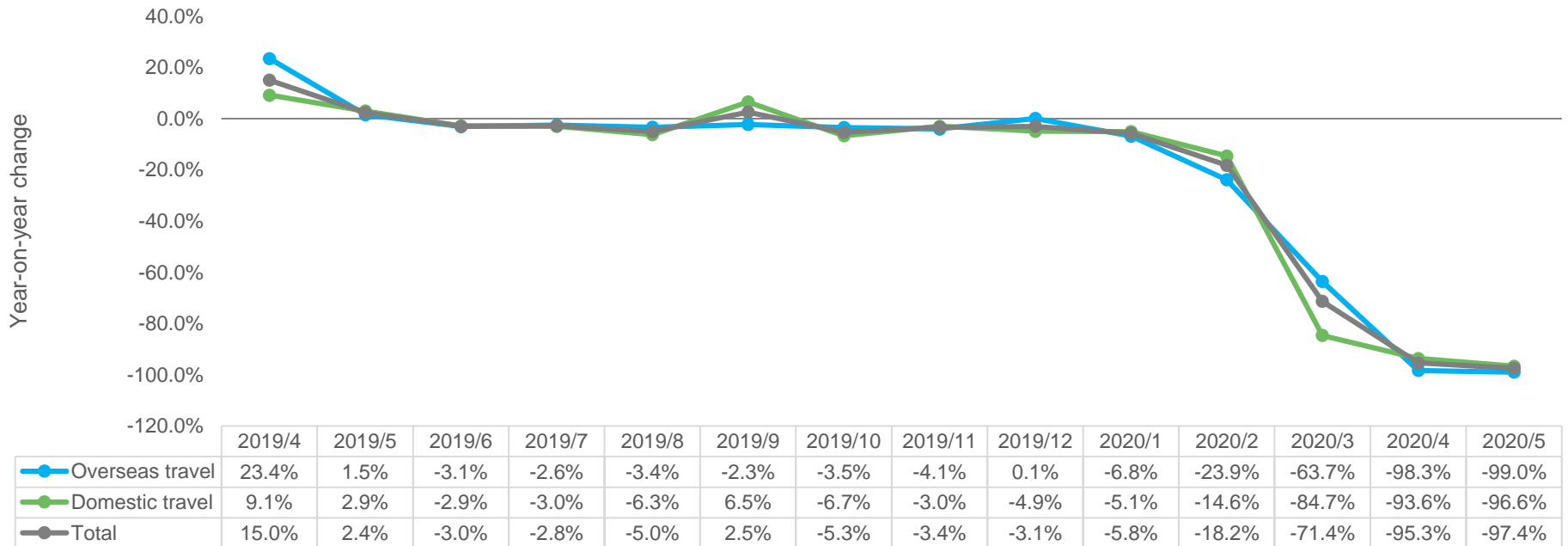
- Travel demand got on the track to recovery at one time in July. However, it is declining again as the spread of COVID-19 expands. Therefore, the financial projections for FY2021 March remain “to be determined” at the present moment, and will be announced when they become reasonably predictable.
- Travelko enables tourists to comprehensively compare “Go To Travel” campaign products (hotels, package tours, flight and hotel packages, shinkansen and hotel packages, one-day bus tours, etc.) and also responds to new needs such as information on anti-COVID-19 measures.
- Backed by our stable financial base, we promote development by accelerating the speed to enhance competitiveness towards the recovery phase of tourism demand.  
\* 1Q of FY2021 March: Capital-to-asset ratio is 96.4%; Cash and deposits balance at the end of the period is approx. 5.2 billion yen; Cost of Sales and Selling, General, and Administrative Expenses are approx. 460 million yen.

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# Impact of COVID-19 Pandemic

- According to Japan Tourism Agency’s “Preliminary Report on Travel Services Provided by the Major Travel Agencies,” for April and May, as tours were postponed or cancelled due the outbreak of COVID-19, both overseas travel and domestic travel decreased greatly as compared with the same months of the previous year (and are expected to continue to drop sharply for June).  
\* “Total” on the chart indicates total sales calculated by our company by combining overseas and domestic travel sales of major travel agencies.
- Travel demand dropped sharply due to the preventive measures taken against the spread of COVID-19 such as border closures and restrictions or prohibitions on outings in many countries, including Japan, and seriously affected our business performance in the 1Q of FY2021.
- Although there will be some gap in the degree of damage between Japan and overseas, it is expected to take a long time until people become able to travel as before.

Year-on-Year Changes in Total Monthly Sales of Major Travel Agencies



Source: Compiled by our company based on Japan Tourism Agency’s “Preliminary Report on Travel Services Provided by the Major Travel Agencies.”

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# 1Q FY2021 March: Financial Overview/Profit and Loss Statement

- Sales fell sharply because travel demand declined dramatically due to the spread of COVID-19.
- We have suppressed costs in order to reduce the operating loss by controlling sales promotions, including TV commercials, according to the travel demand.

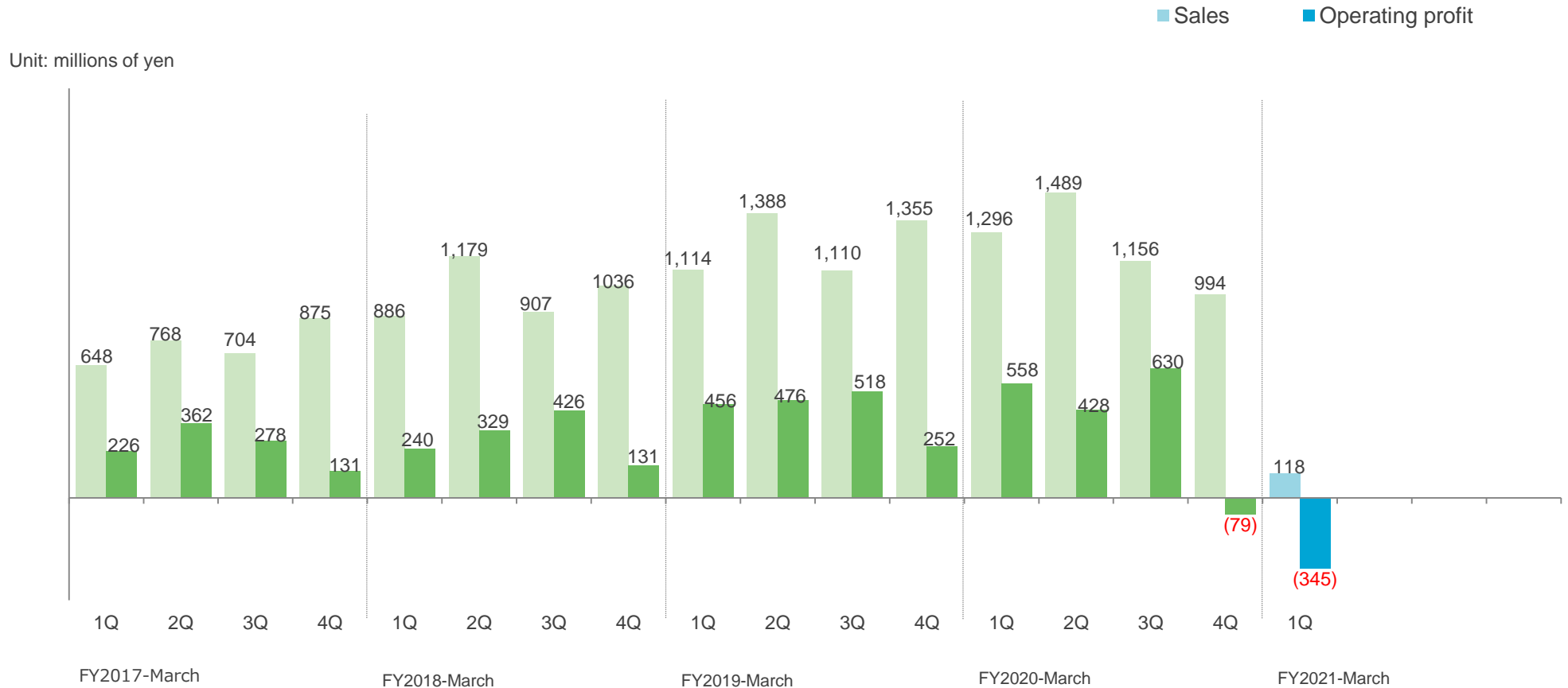
Unit: millions of yen

	1Q FY2020/3 Results	1Q FY2021/3 Results	Amount of change	YoY
Sales	1,296	118	-1,178	-90.9%
Cost of sales	165	159	-5	-3.3%
Gross profit	1,131	-41	-1,173	-
Selling, general and administrative expenses	572	304	-268	-46.9%
Operating profit	558	-345	-904	-
Ordinary profit	559	-340	-899	-
Net incomes	348	-362	-710	-
Operating margin	43.1%	-	-	-



# 1Q FY2021 March: Financial Overview/Trends in Quarterly Results

- It is difficult to reasonably predict sales trend, due to the impact of COVID-19.



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## ■ FY2021 March: Financial Projection

As the number of COVID-19 infected persons is increasing again and we cannot predict when the COVID-19 pandemic will settle, it is very difficult for us to properly and reasonably predict how much impact there will be on our plan for FY2021 March.

Therefore, the financial projections for FY2021 March remain “to be determined” at the present moment, and will be announced when they become reasonably predictable.

## ■ Future Impact of COVID-19 and Our Initiatives

The travel demand slightly increased at one time in July. However, it is declining again as the spread of COVID-19 expands. Although the government-led “Go To Travel” campaign was launched, its positive effects are limited because Tokyo is excluded from the campaign.

As the situation continues to be uncertain, we see that it will take considerable time until the travel demand returns.

In the recovery phase, we expect that, at first, domestic demand gradually increases and then overseas demand rises a little later.

We expect a further increase in new travel style enabling tourists to be less likely to get infected, along with tour programs and services focusing on it.

Amid these circumstances, Travelko enables tourists to comprehensively compare “Go To Travel” campaign products (hotels, package tours, flight and hotel packages, shinkansen and hotel packages, one-day bus tours, etc.) and also responds to new needs such as information on anti-COVID-19 measures.

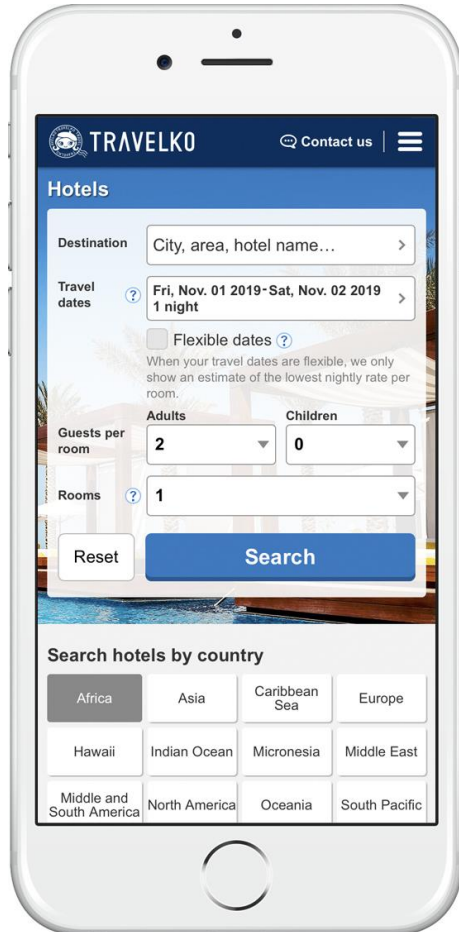
In addition, with our strong financial foundation, further increase the development speed and strive in planning to further strengthen our competitiveness with enhancement of services that adapt to new travel needs and respond to the demand during and after the recovery phase.

\* 1Q of FY2021 March: Capital-to-asset ratio is 96.4%; Cash and deposits balance at the end of the period is approx. 5.2 billion yen; Cost of Sales and Selling, General, and Administrative Expenses are approx. 460 million yen.

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- Enrich new products and related information towards the post COVID-19 market, including the “Go To Travel” campaign
- Offer promotions in response to the market needs and the government-led campaigns in the recovery phase of tourism demand
- Enhance existing products
- Expand information on domestic cities reviewed by travel experts and ranked in “Travelko Matome” (Travel blogs)
- Develop user review and evaluation services
- Expand the range of cross-comparison services (Vacation rentals, travel insurance, outdoor activity, etc.)



- Reinforcement of COVID-19 related information
- Establish price advantage by strengthening affiliation with local major websites
- Enhance localization of the user interface
- Release the TRAVELKO (Global site) app
- Provide system interface for inbound travel information

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# 1Q FY2021 March/Balance Sheet

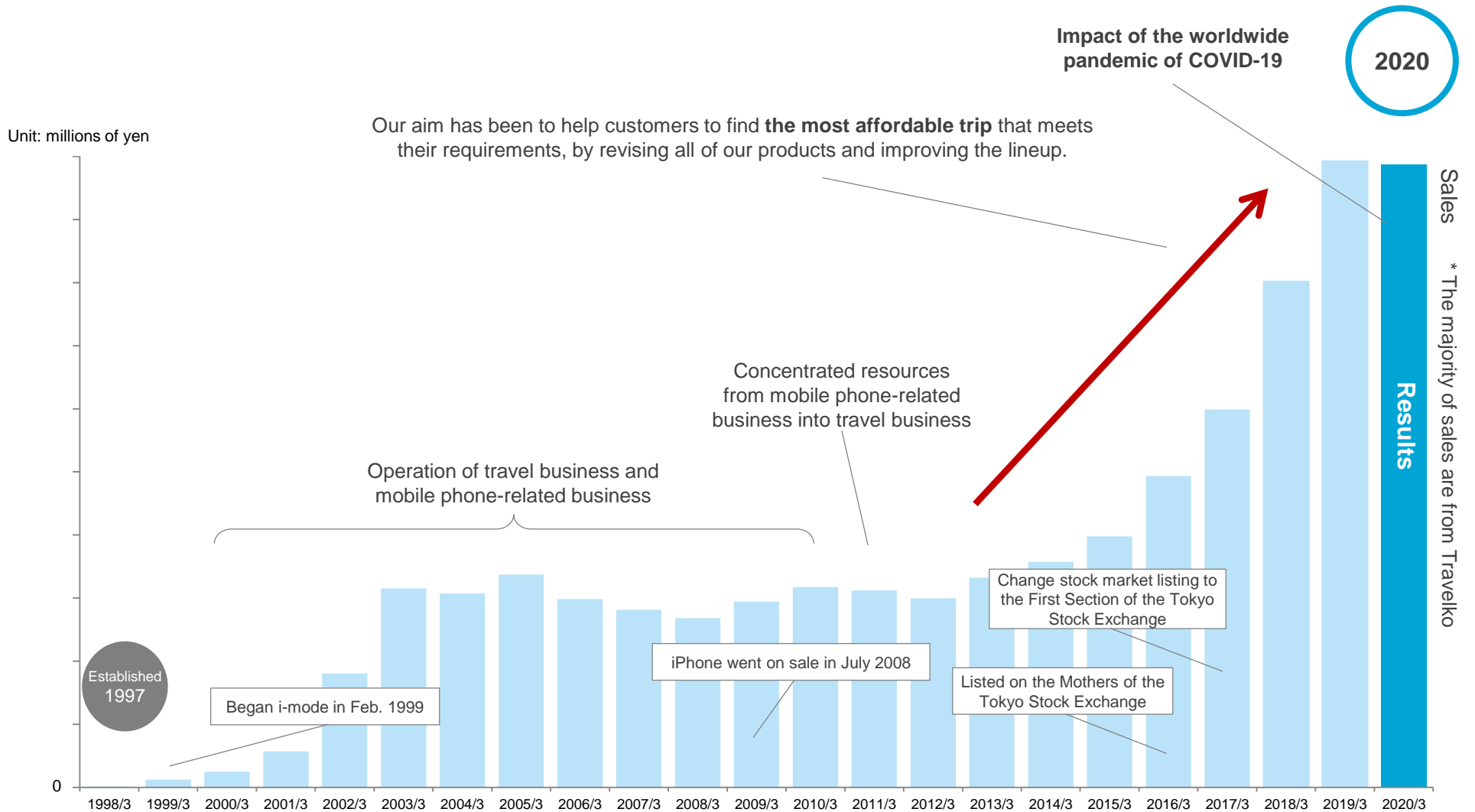
- Capital-to-asset ratio is kept high at 96.4%.
- Cash and deposits balance at the end of the period is approx. 5,268 million yen.

Unit: millions of yen	End of March 2020 Results	End of June 2020 Results	Amount of change
Current assets	6,182	5,440	-742
Cash and deposits	5,650	5,268	-381
Other	531	171	-360
Non-current assets	562	536	-25
Total assets	6,744	5,977	-767
Current liabilities	565	161	-403
Non-current liabilities	55	52	-2
Total liabilities	620	214	-406
Net assets	6,123	5,762	-361
Capital	648	648	-
Capital surplus	473	473	-
Retained earnings	5,018	4,656	-362
Other	-15	-14	+1
Total liabilities and net assets	6,744	5,977	-767



Company name	OpenDoor Inc.
Date of establishment	April 1997
Representative	Daisuke Sekine, President and Representative Director
Capital	648 million yen
Stock Exchange	Tokyo Stock Exchange First Section (Stock code: 3926)
Description of business	Travel comparison site Travelko Global travel comparison site TRAVELKO Operation of the traditional crafts information sites GALLERY JAPAN and KOGEI JAPAN
Consolidated subsidiaries	100% equity in Hotel Skip Inc. Reservations, arrangements, and sales of hotels and air tickets
Number of employees	A total of 190 employees

# Progress and Sales Trends



A travel comparison site that allows you to search and compare products from more than 1,500 booking websites

理想の旅をいちばん安く。  
**トラベルコ**  
TRAVELKO

運営会社：株式会社オープンドア(東証一部)  
初めての方へ よくある質問 メールマガ 今のページの質問・要望

国内 ホテル 航空券 ツアー その他 海外 ホテル 航空券 ツアー その他 旅行ガイド他 履歴 お気に入り (1)

**Go To トラベルキャンペーン スタート!**  
対象メニュー：国内ホテル、国内ツアー、日帰りバスツアー、航空券+ホテル、新幹線+ホテル  
JTB、HIS、一休.com、楽天トラベル、Expedia、Booking.comなど、  
国内外1,500以上の旅行サイトを比較!

プレスリリース 2020年 オリコン顧客満足度調査「航空券」「ホテル」「ツアー」比較サイト 全3分野で第1位を獲得 ニュース一覧

国内旅行		海外旅行	
国内ホテル	国内格安航空券	海外ホテル	海外格安航空券
国内ツアー	国内航空券+ホテル	海外ツアー	海外航空券+ホテル
新幹線+ホテル	国内レンタカー	オプションツアー	海外Wi-Fiレンタル
夜行バス・高速バス	遊び・体験	ファイナルコール	
日帰りバスツアー	ファイナルコール		

LINEスタンプ 販売中!  
全40種類!ご購入はこちらから

台北ほか、全100都市のクチコミ情報

LINEスタンプはじめました!

**最安値一覧** 東京発 2月 3月

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 1,900円	ソウル3日間 1.38万円
福岡2日 1.06万円	鬼怒川温泉 2,000円	台北3日間 2.66万円
白馬3日 1.39万円	東京 1,706円	香港3日間 2.38万円
		グアム4日間 3.98万円
		バンコク4日間 2.90万円
		シンガポール4日間 4.18万円

理想の旅をいちばん安く。  
**トラベルコ**  
TRAVELKO

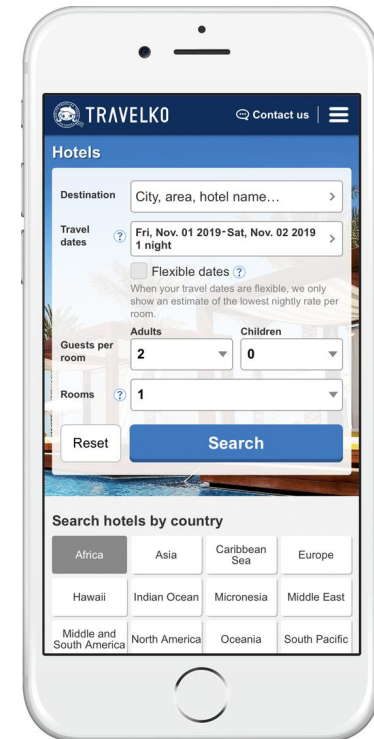
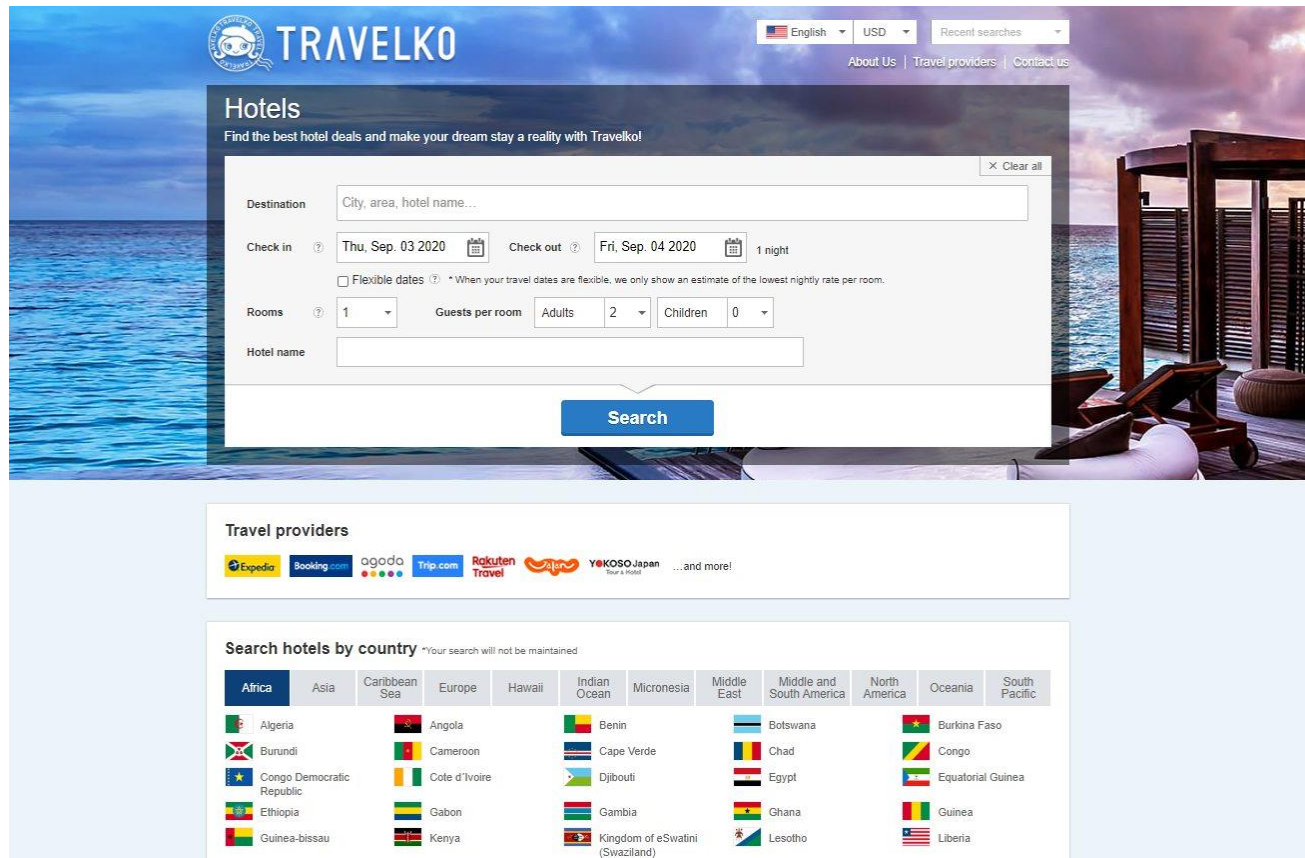
Go To トラベルキャンペーン スタート!  
対象メニュー：国内ホテル、国内ツアー、日帰りバスツアー、航空券+ホテル、新幹線+ホテル

プレスリリース 2020年 オリコン顧客満足度調査「航空券」「ホテル」「ツアー」比較サイト 全3分野で第1位を獲得

国内旅行		海外旅行	
ホテル	格安航空券	ホテル	格安航空券
ツアー	航空券+ホテル	ツアー	航空券+ホテル
新幹線+ホテル	レンタカー	オプションツアー	海外Wi-Fiレンタル
夜行バス 高速バス	遊び・体験	ファイナルコール	トラベルコ まとめ
日帰り バスツアー	ファイナル コール		

トラベルコ 旅行比較アプリ  
無料インストール

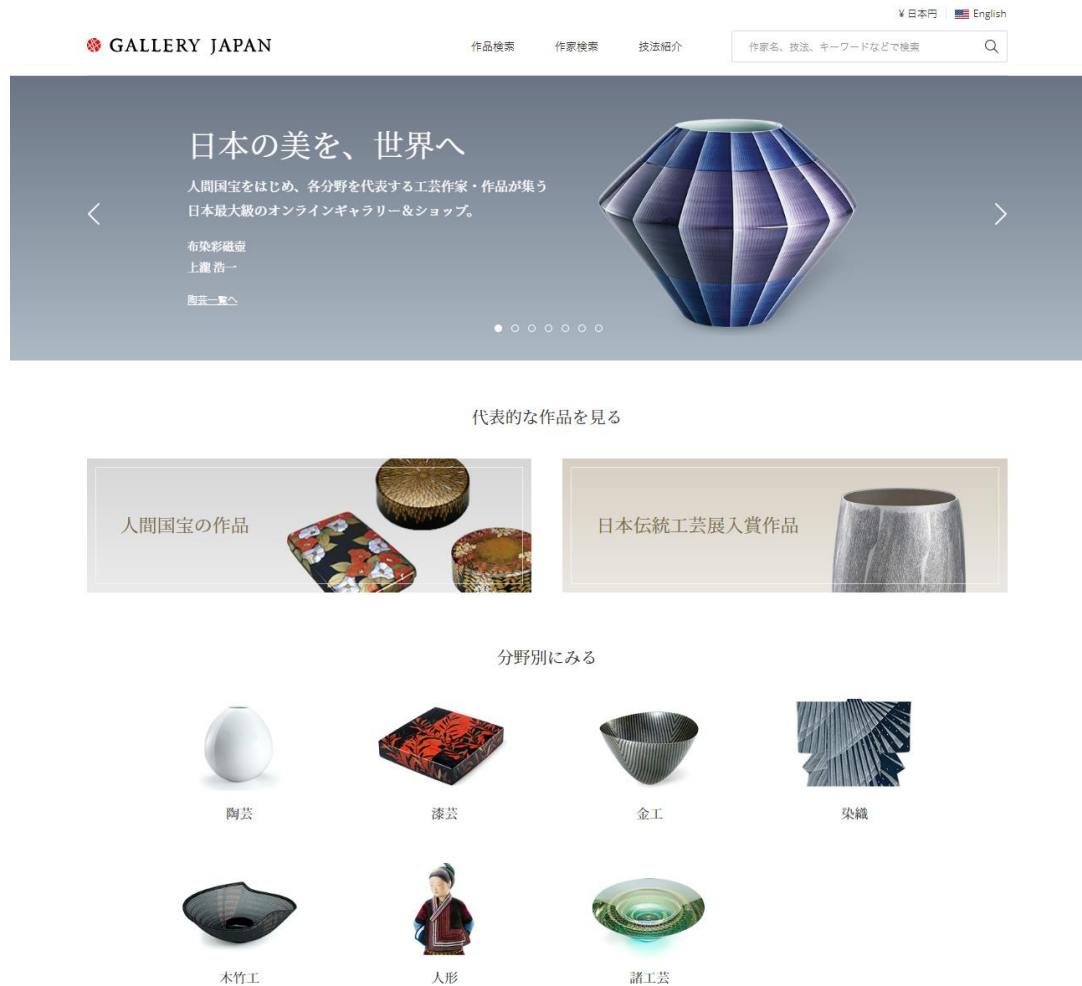
The global version of TRAVELKO, targeted at overseas and inbound markets.



Supported languages

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

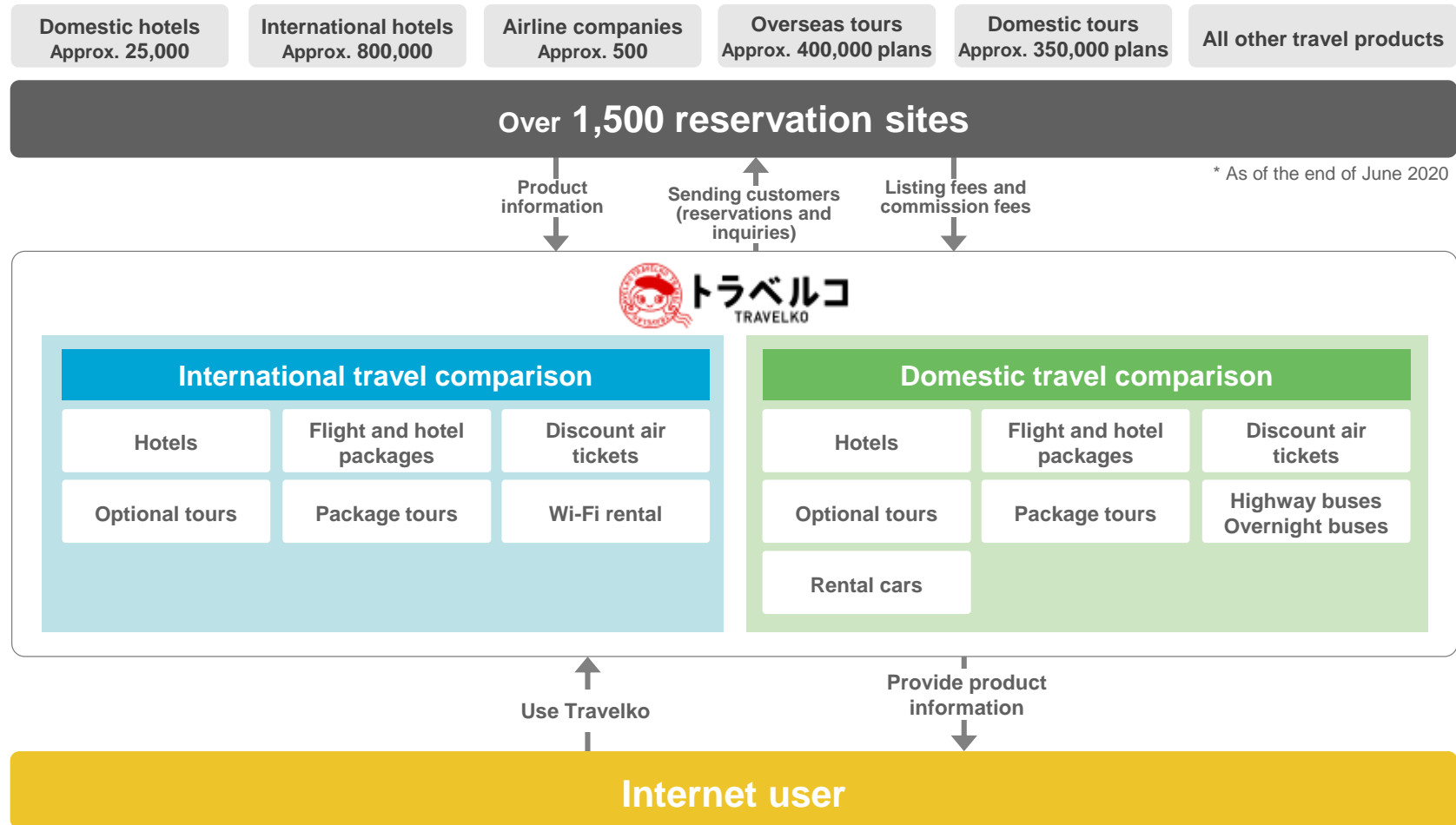
A site targeted at overseas and inbound markets, which introduces traditional crafts of Japan to the rest of the world



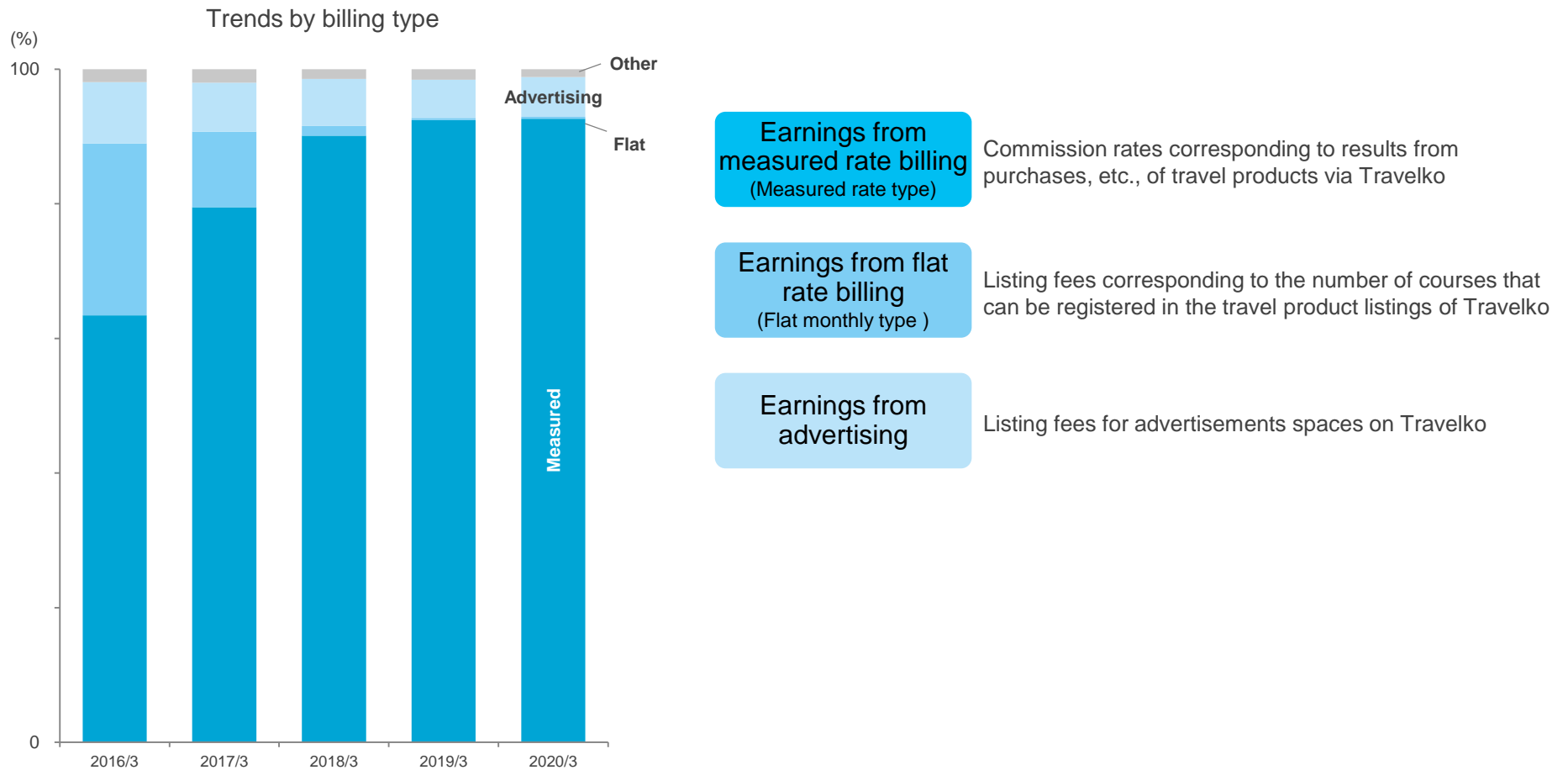
Supported languages

English  
Japanese

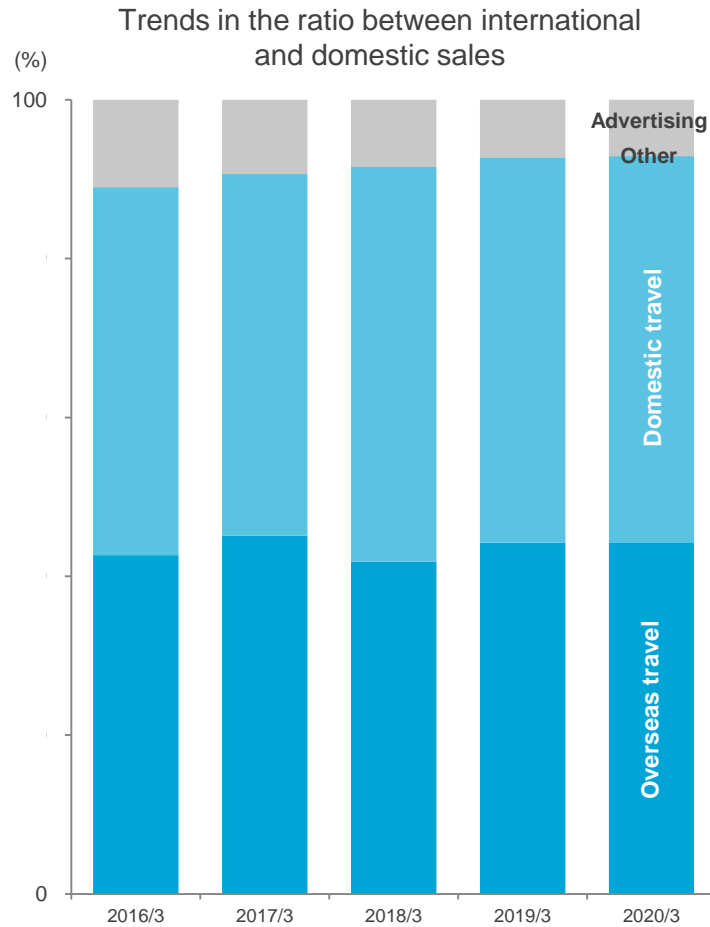
A business model that allows the majority of travel products to be compared



Shift from flat rate billing to measured rate billing based on results



Both international and domestic show a well-balanced risk-resilient sales structure.



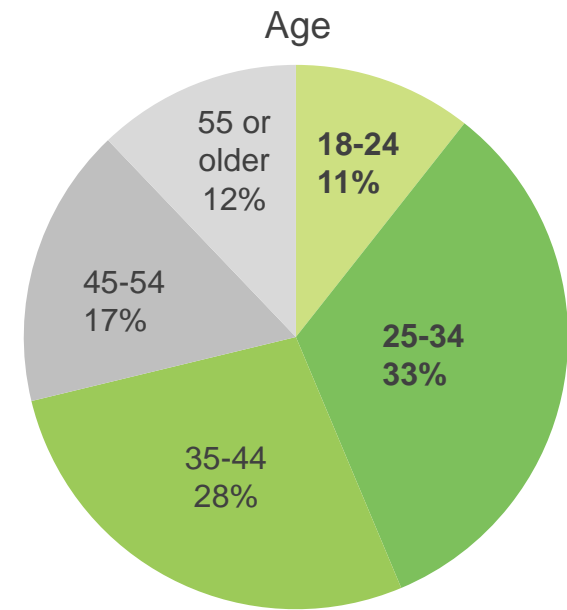
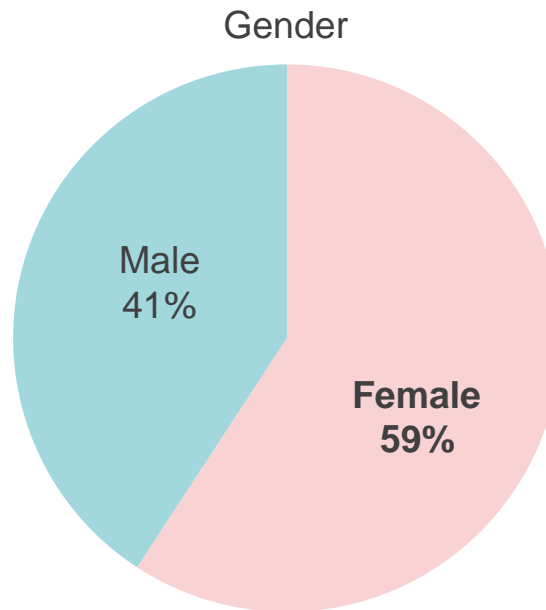
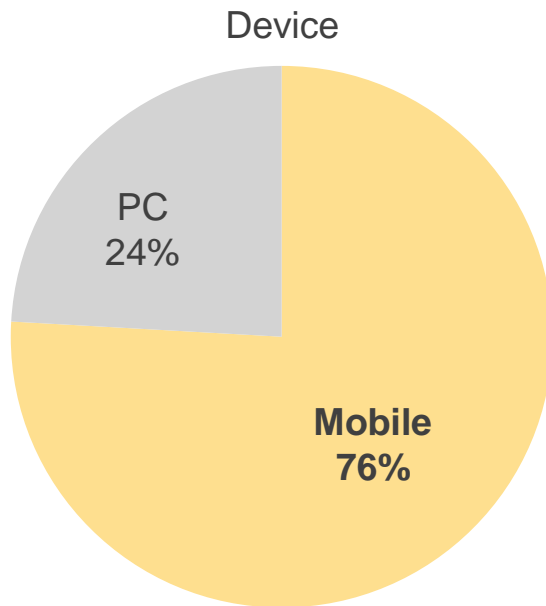
**Flexibly corresponds to changes in market trends** due to changes in international or domestic popularity, or because of sudden events such as terrorist attacks, etc.

A structure that is resistant to exchange-rate fluctuations



Of particular note is the fact that price- and quality-conscious F1 users (females aged 20-34) account for a large proportion.

## User attributes\*1



\* The majority of products are now supported on smartphones.

We are favored by **price- and quality-conscious F1 users.**



\*1 2019/4 - 2020/3 access analysis data of our company

Why has Travelko been able to maintain a high rate of growth with the support of a broad range of users when there are so many other comparison sites in the market?

## 1. Covers the vast majority of travel products

While many competing sites focus on comparison of only single products, such as hotels or airlines, Travelko covers nearly all domestic and international travel products, including hotels, airline tickets, package tours, optional tours, car rental, overnight buses, and overseas Wi-Fi rental.

This makes Travelko a one-stop solution where users can plan their entire trips.

International travel comparison		
Hotels	Flight and hotel packages	Discount air tickets
Optional tours	Package tours	Wi-Fi rental

Domestic travel comparison		
Hotels	Flight and hotel packages	Discount air tickets
Optional tours	Package tours	Highway buses Overnight buses
Rental cars		

## 2. Can be used to find the most inexpensive packages and tickets

Travelko, which enables comparison of more than 1,500 travel sites, offers one of the largest numbers of comparable plans in Japan. This naturally increases the likelihood of users finding the most affordable products that satisfy their needs. In addition, travel sites do not provide plans with uniform pricing to all comparison sites. Often, they offer lower prices to the more price-competitive sites.

This is why Travelko, with its overwhelming advantage in the number of travel sites and its high price competitiveness, makes it easy to find the most affordable products.

JTB, Club Tourism, JAL Pak, Odakyu Travel,  
JR Tokai Tours, Kinki Nippon Tourist, Nippon Travel Agency,  
H.I.S, Tobu Top Tours, Hankyu Travel, ANA Sales,  
Nishitetsu Travel, Meitetsu World Travel, Tabikobo

Rakuten Travel, Ikyu, Rurubu Travel, Yahoo Travel

Expedia Booking.com

AirTrip, Spring Japan, Skyticket,  
Star Flyer, AIRDO

...More than **1,500** travel sites

## Why has Travelko been able to realize these strengths?

### Nearly all system development is carried out in-house

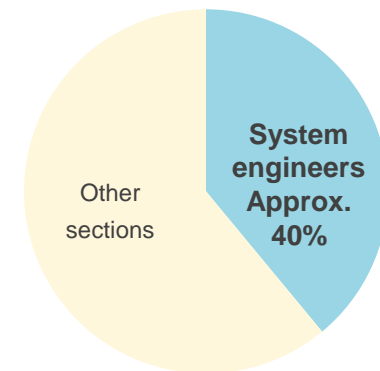
Advanced, large-scale system development is essential to covering this many travel products, linking more than 1,500 travel sites, and improving all of these products simultaneously.

Most competitors outsource development, which ultimately makes it difficult to carry out development in exactly the way they want to because they must depend on the resources, skills, schedules, and priorities of their subcontractors.

We carry out nearly all system development in-house, in a flexible and efficient development environment made up of more than 70 system engineers who share information daily and keep up with the latest market trends. This has enabled us to realize a development structure that can realize simultaneous progress in all of our products at high speed, while also maintaining high quality.

This high level of development capabilities is another important reason behind our strengths.

System engineers as a percentage of all employees



- 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 at the time of making 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 herein is shown based on 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 where such 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.

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