

Financial Results for Second Quarter of the Fiscal Year Ending March 2021



OpenDoor Inc.
(Stock Code: 3926)

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

1. Highlights
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■ Impact of COVID-19 Pandemic

- Although overseas travel continued to be largely affected, domestic travel showed recovery to some extent.

* See Page 5 “Impact of COVID-19 Pandemic.”

■ 2Q FY2021/3 Results

- 1 Q :Sales: **118 million yen (down 90.9% YoY)**; total cost: 463 million yen; operating profit: **-345 million yen (558 million yen** in the same period of the previous year)
- 2 Q :Sales: **341 million yen (down 77.0% YoY)**; total cost: 466 million yen; operating profit: **-124 million yen (428 million yen** in the same period of the previous year)
- Cumulative totals; Sales: **459 million yen (down 83.5% YoY)**; total cost: 930 million yen; operating profit: **-470 million yen (987 million yen** in the same period of the previous year)
- Despite the impact of COVID-19, sales showed a recovery partly due to the effects of the Go To Travel campaign.
- We have continued to suppress costs by controlling sales promotions, including TV commercials according to travel demand.

■ FY2021 March: Financial Projections

- We cannot predict when the COVID-19 pandemic will settle, therefore, the financial projections for FY2021 March remain “to be determined” at the present moment.
- In the current situation, it will take considerable time until overseas travel demand returns, while domestic travel demand is showing a recovery. From October, the degree of deficit has been substantially reduced and it can be forecasted to make a profit on a monthly basis.
- Backed by our stable financial base, we will reinforce our staff even in the disaster of COVID-19, accelerate our development speed, and further enhance our competitiveness in the recovery phase of demand.

* 2Q of FY2021 March: Capital-to-asset ratio is 96.8%; Cash and deposits balance at the end of the period is approx. 4.9 billion yen.

* Number of employees: A total of 192 at the end of September 2020, 179 at the end of March 2020

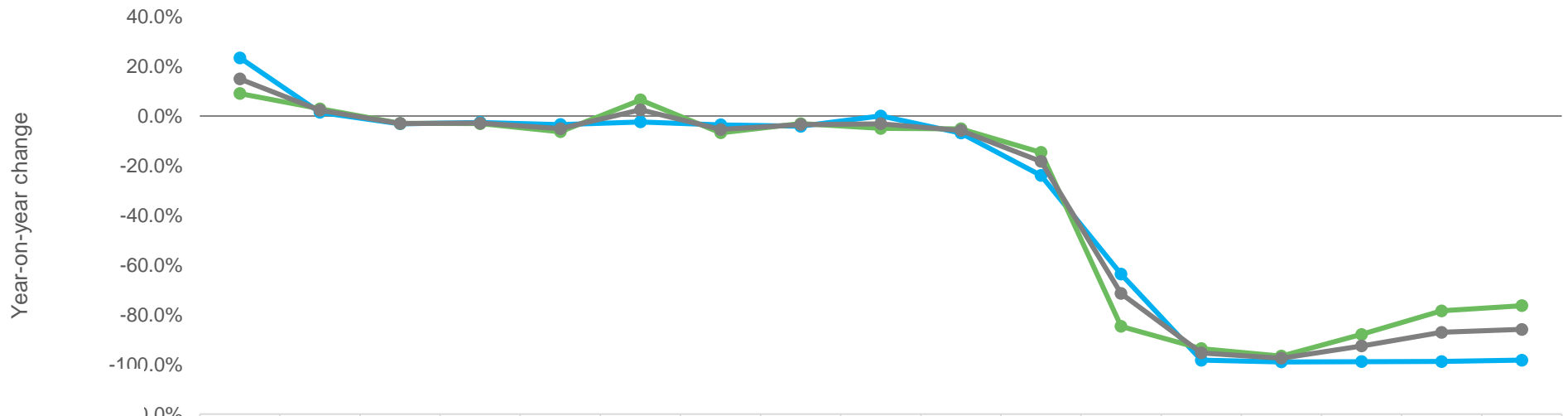
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Impact of COVID-19 Pandemic

- According to the Japan Tourism Agency's "Preliminary Report on Travel Services Provided by Major Travel Agencies", while overseas travel has remained greatly affected, domestic travel has been recovering to a certain extent since June, partly due to the lifting of the declaration of a state of emergency, the easing of cross-prefectural travel, and the effects of the Go To Travel campaign.

*"Total" on the chart indicates total sales calculated by our company by combining overseas and domestic travel sales of major travel agencies.

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



	2019/4	2019/5	2019/6	2019/7	2019/8	2019/9	2019/10	2019/11	2019/12	2020/1	2020/2	2020/3	2020/4	2020/5	2020/6	2020/7	2020/8
Overseas travel	23.4%	1.5%	-3.1%	-2.6%	-3.4%	-2.3%	-3.5%	-4.1%	0.1%	-6.8%	-23.9%	-63.7%	-98.3%	-99.0%	-98.8%	-98.8%	-98.3%
Domestic travel	9.1%	2.9%	-2.9%	-3.0%	-6.3%	6.5%	-6.7%	-3.0%	-4.9%	-5.1%	-14.6%	-84.7%	-93.6%	-96.6%	-87.9%	-78.4%	-76.3%
Total	15.0%	2.4%	-3.0%	-2.8%	-5.0%	2.5%	-5.3%	-3.4%	-3.1%	-5.8%	-18.2%	-71.4%	-95.3%	-97.4%	-92.6%	-87.1%	-85.9%

Source: Compiled by the Company based on Japan Tourism Agency's "Preliminary Report on Travel Services Provided by the Major Travel Agencies."

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2Q FY2021 March: Financial Overview (Accounting Period)



- Despite the impact of COVID-19, sales recovered from the first quarter of the current fiscal year partly due to the effects of the Go To Travel campaign.
- Selling, general and administrative expenses were kept at the same levels as the first quarter by continuing to refrain from TV commercials.
- Operating loss narrowed significantly compared to the first quarter.

Unit: millions of yen

	2020/3 2Q (Accounting period) Results	2021/3			*Reference 2021/3 1Q (Accounting period) Results	YoY
		2Q (Accounting period) Results	Amount of change	YoY		
Sales	1,489	341	-1,147	-77.0%	118	-90.9%
Cost of sales	165	154	-10	-6.5%	159	-3.3%
Gross profit	1,323	187	-1,136	-85.9%	-41	-
Selling, general and administrative expenses	895	312	-582	-65.1%	304	-46.9%
Operating profit	428	-124	-553	-	-345	-
Ordinary profit	429	-80	-510	-	-340	-
Net incomes	266	-83	-350	-	-362	-
Operating margin	28.8%	-	-	-	-	-

2Q FY2021 March: Financial Overview (Accumulating Period)

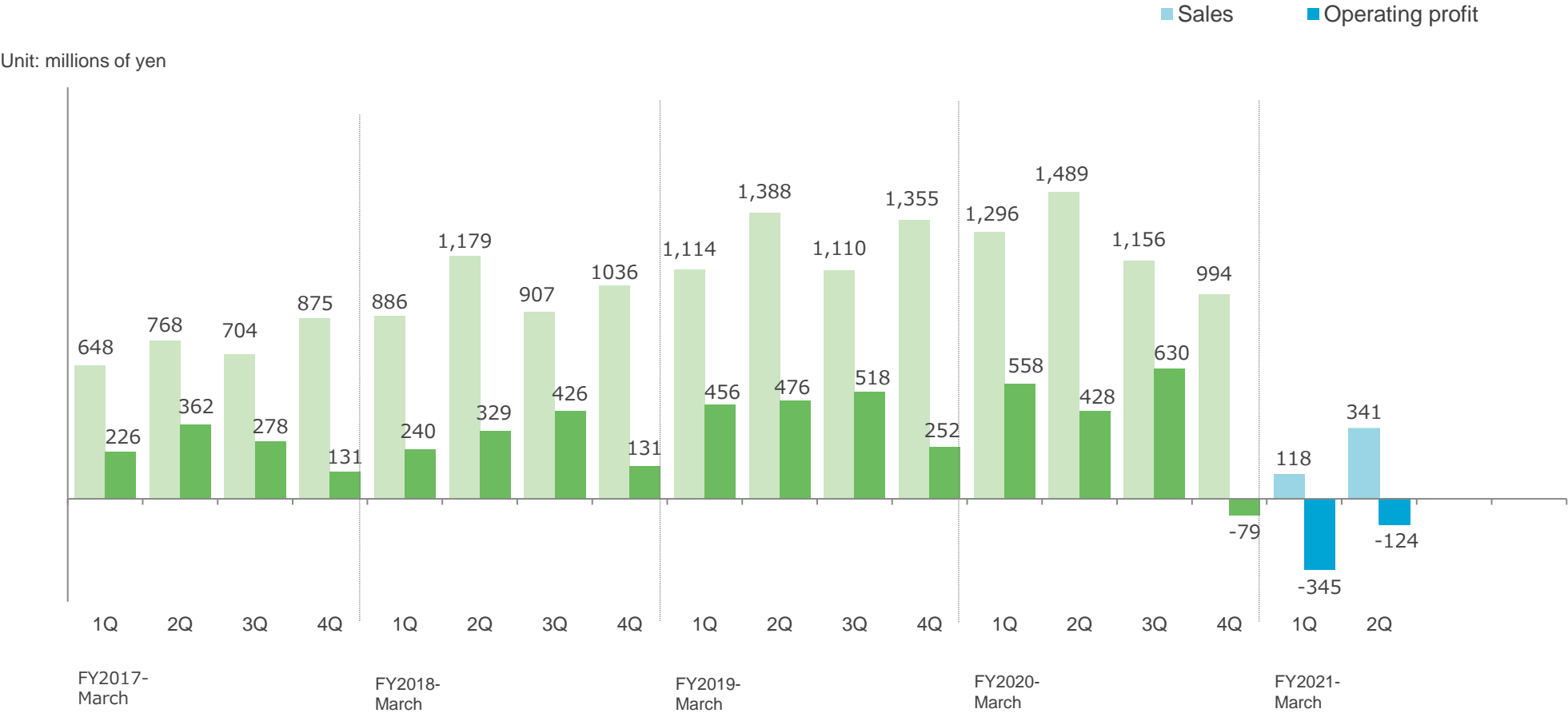
- Both sales and operating profit were significantly lower than the same period of the previous year due to the impact of COVID-19, but they are on a recovery trend from the second quarter onward.

Unit: millions of yen

	2020/3 2Q (Cumulative) Results	2021/3 2Q (Cumulative) Results	Amount of change	YoY
Sales	2,785	459	-2,325	-83.5%
Cost of sales	330	314	-16	-4.9%
Gross profit	2,455	145	-2,309	-94.1%
Selling, general and administrative expenses	1,467	616	-851	-58.0%
Operating profit	987	-470	-1,458	-
Ordinary profit	988	-421	-1,409	-
Net incomes	615	-445	-1,060	-
Operating margin	35.4%	-	-	-

2Q FY2021 March: Financial Overview/Trends in Quarterly Results

- Although it is difficult to predict sales trends rationally due to the impact of COVID-19, both sales and operating profit are on a recovery trend thanks in part to the Go To Travel campaign for domestic travel.



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■ FY2021 March: Financial Projections

As 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 business results 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.

■ Impact of COVID-19 on Future Travel Demand and Our Initiatives

In the current situation, it will take considerable time until overseas travel demand returns, while domestic travel demand is showing a recovery. From October, the degree of deficit has been substantially reduced and it can be forecasted to make a profit on a monthly basis.

Amid these circumstances, Travelko (<https://www.tour.ne.jp/>) enables tourists to compare rates after the Go To Travel campaign product discounts (hotels, package tours, flight and hotel packages, shinkansen and hotel packages, one-day bus tours, etc.) on the list, and also publishes the discount procedures for each reservation site.

Backed by our stable financial base, we will reinforce our staff even in the disaster of COVID-19, accelerate our development speed, and further enhance our competitiveness in the recovery phase of demand.

* 2Q of FY2021 March: Capital-to-asset ratio is 96.8%; Cash and deposits balance at the end of the period is approx. 4.9 billion yen.

* Number of employees: A total of 192 at the end of September 2020, 179 at the end of March 2020

Go To 対象プランのみ表示

国内ホテルのGo To トラベル情報

1~11件 (全11件)

価格クラス順

東京ホテル

千葉県 > 東京ディズニーリゾート

アクセス : JR京葉線舞浜駅から1.25km

標準チェックイン/アウト: 15:00~/12:00

価格クラス 10,000円~12,000円クラス

クチコミ評価 4.5全2,908件

最安値プラン

メインダイニングでのディナーコース付! レイトチェックアウトプラン

Go To 割引後参考料金 26,366円

割引金額 14,196円 地域共通クーポン 6,000円相当

Go To Travel campaign eligible plans can be narrowed down

GoTo対象

下記内容についてその正確性を保証するものではありません。必ず予約サイトにてご確認ください。

■ABCトラベルにおいてこのプランはGoToトラベルキャンペーンの対象とされます。

このプランがGoToトラベルキャンペーンの対象の場合、予約サイトへ遷移後、施設名の下に「GoToトラベル対象」と表示されます。割引適用には会員ログインが必要です。(手順はやや複雑です)

このプランが対象だった場合に以下の割引が適用

■ 割引後の試算

割引前料金 : 40,562円

割引後参考料金 : 26,366円 (割引14,196円)

地域共通クーポン : 6,000円 相当

■ プラン割引と地域共通クーポンを合わせて最大50% 相当額が還元されます。対象期間や割引方法についての詳細は下記に記載しています。

プラン割引について

対象期間: ABCトラベルでは、1月30日の宿泊分 (1月31日チェックアウト) までがキャンペーンの対象予定です。

割引金額: プラン代金の最大35% (1名あたり1泊につき14,000円が上限)

割引方法: ABCトラベルでは対象条件を満たす場合、予約サイトで自動的に割引が適用されます。(手順はやや複雑です) 会員ログインが必要です。

Provides detailed information on how to check the campaign targets and the discount procedures on each reservation site

Target menu

- Domestic hotels
- Domestic tours
- Shinkansen + Hotel
- Domestic airline tickets + Hotel
- One-day bus tour

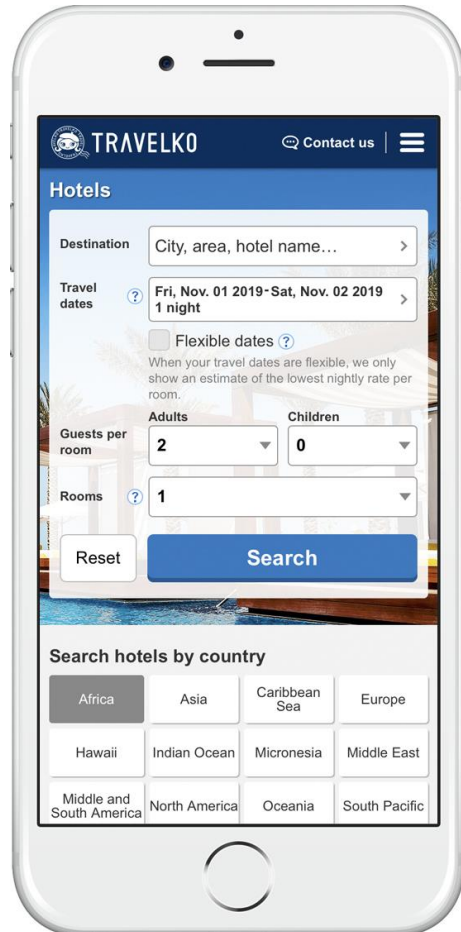
Listing Discount Rates and Regional Coupon Distribution Amounts

Image: List of domestic hotel search results

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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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2Q FY2021 March / Balance Sheet

- Capital-to-asset ratio is kept high at 96.8%.
- Cash and deposits balance at the end of the period is approx. 4,978 million yen.

Unit: millions of yen	End of March 2020 Results	End of September 2020 Results	Amount of change
Current assets	6,182	5,348	-834
Cash and deposits	5,650	4,978	-672
Others	531	369	-162
Non-current assets	562	520	-41
Total assets	6,744	5,868	-876
Current liabilities	565	137	-427
Non-current liabilities	55	49	-5
Total liabilities	620	187	-433
Net assets	6,123	5,680	-443
Capital stock	648	648	-
Capital surplus	473	473	-
Retained earnings	5,018	4,572	-445
Others	-15	-13	+2
Total liabilities and net assets	6,744	5,868	-876

2Q FY2021 March: Key Components of the Cost of Sales and Selling, General and Administrative Expenses



- Control of TV commercials and other promotions according to travel demand has resulted in a significant reduction in advertising expenses.

Unit: millions of yen	2020/3		2021/3			
	2Q (Cumulative) Results	% of sales	2Q (Cumulative) Results	Amount of change	YoY	% of sales
Cost of sales	330	11.9%	314	-16	-4.9%	68.3%
Labor costs	241	8.7%	233	-8	-3.4%	50.7%
Others	89	3.2%	81	-8	-9.0%	17.7%
Selling, general and administrative expenses	1,467	52.7%	616	-851	-58.0%	134.0%
Personnel expenses	379	13.6%	377	-2	-0.5%	82.2%
Advertising costs	858	30.8%	34	-823	-95.9%	7.6%
Others	229	8.2%	203	-25	-11.3%	44.3%

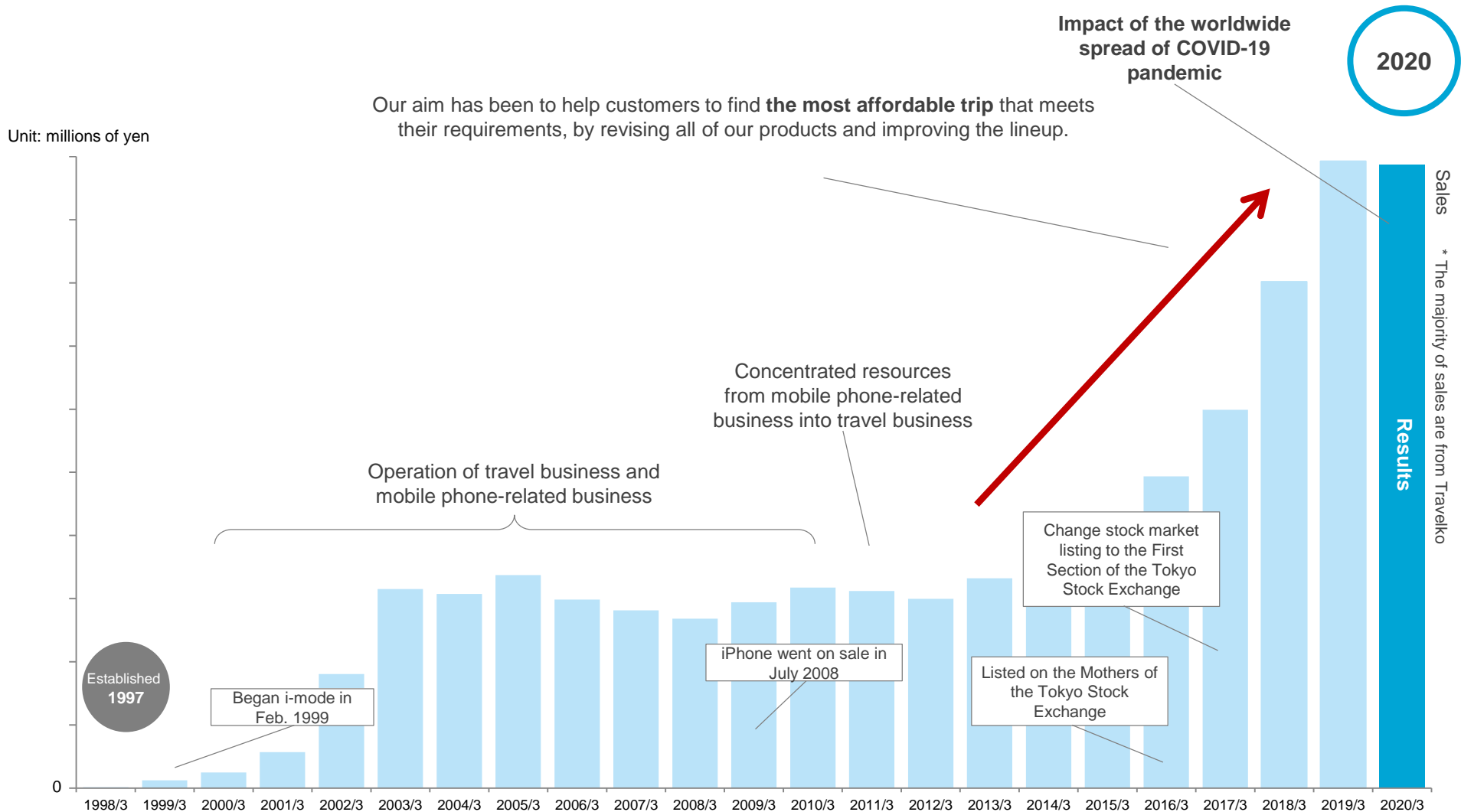
2Q FY2021 March/Cash Flow Statement

- Cash and cash equivalents (cash and deposits outstanding) at the end of September amounted to 4,978 million yen.

Unit: millions of yen	2020/3 2Q (Cumulative) Results	2021/3 2Q (Cumulative) Results	
Cash flows from operating activities	+555	-666	Net incomes before tax -421 million yen Income taxes paid 240 million yen
Cash flows from investing activities	-18	-6	Purchase of property, plant and equipment 3 million yen
Cash flows from financing activities	-	-	—
Amount of change in cash and cash equivalents	+536	-672	—
Balance of cash and cash equivalents at the beginning of the period	4,719	5,650	—
Balance of cash and cash equivalents at the end of the period	5,256	4,978	—

Company name	OpenDoor Inc.
Date of establishment	April 1997
Representative	Daisuke Sekine, President and Representative Director
Capital stock	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 192 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 メルマガ このページの質問・要望

国内 海外

Go To トラベルキャンペーン 商品掲載中！

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

国内旅行		海外旅行	
国内ホテル	GoTo 国内格安航空券	海外ホテル	海外格安航空券
国内ツアー	GoTo 国内航空券+ホテル GoTo	海外ツアー	海外航空券+ホテル
新幹線+ホテル	GoTo 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	GoTo ファイナルコール		

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オフラインでも使えるトラベルコマップ

トラベルコ 旅行比較アプリ 無料インストール

最安値一覧

東京発 12月 1月

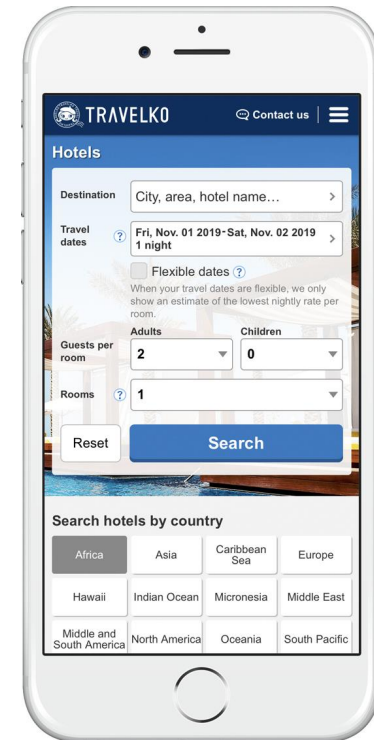
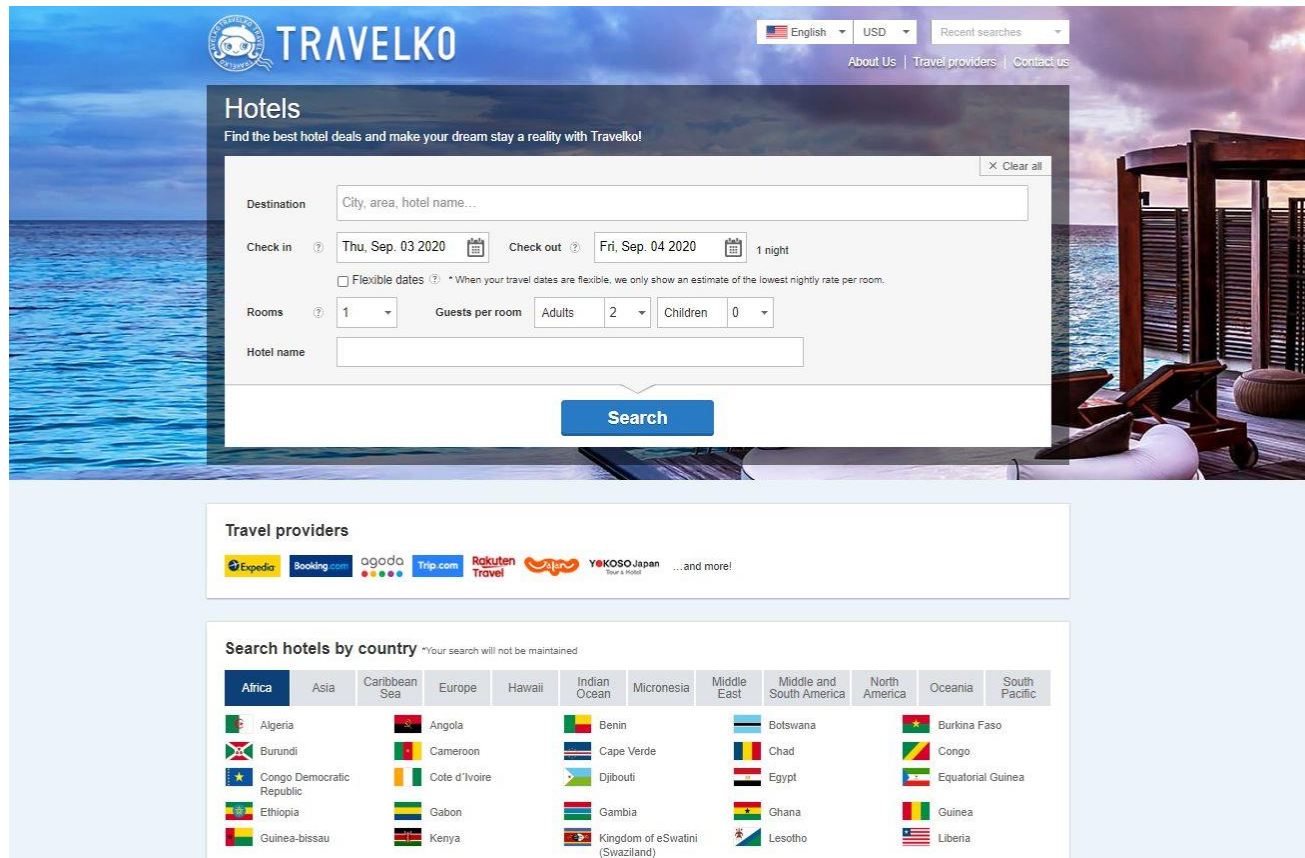
国内ツアー	国内ホテル	海外ツアー(燃油込)	
札幌2日 1.48万円	札幌 1,599円 ↑	ソウル3日間 1.58万円	台北3日間 4.48万円
釜山2日 1.26万円	鬼怒川温泉 3,300円	香港3日間 6.48万円	クアム4日間 5.98万円
金沢2日 1.60万円	東京 1,061円	バンコク4日間 8.48万円 ↓	シンガポール4日間 5.58万円



Services / Global Travel Comparison Site TRAVELKO



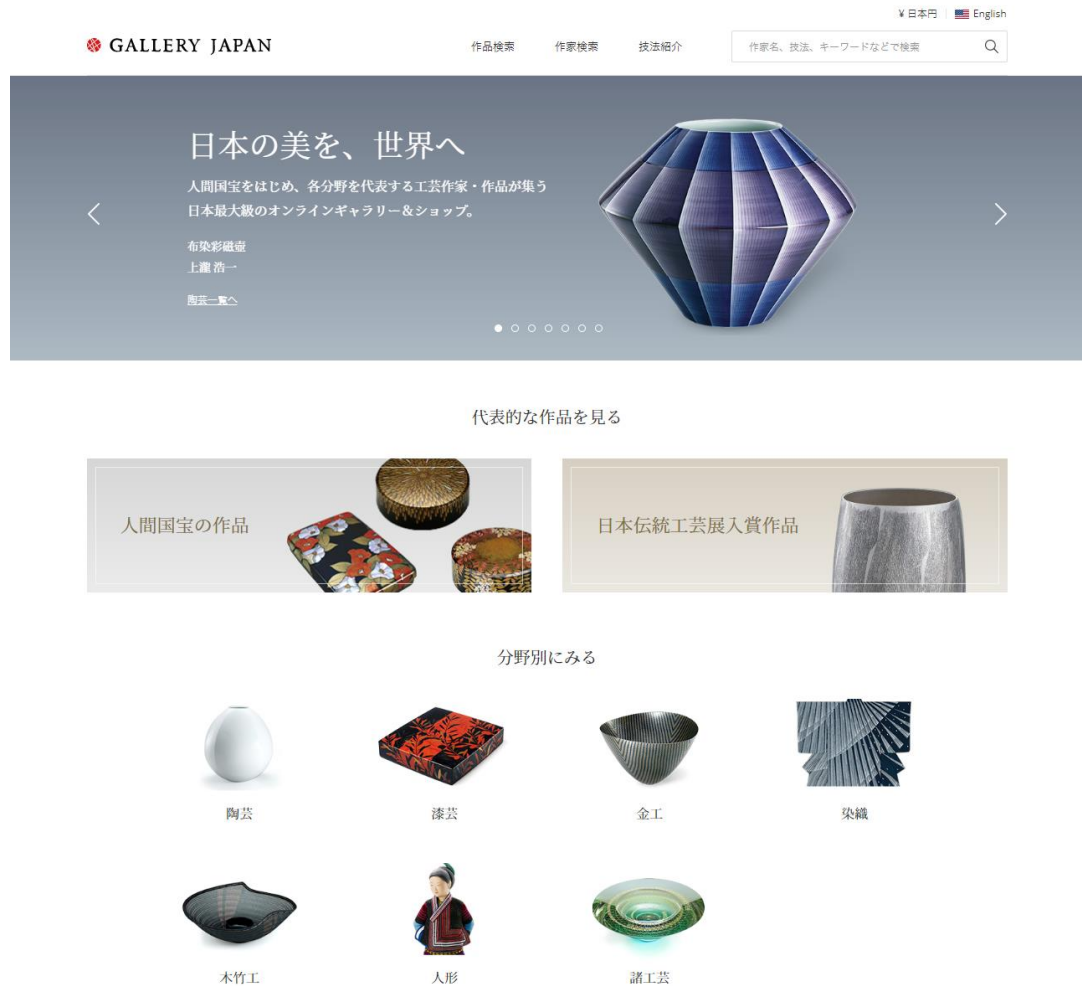
The global version of TRAVELKO, targeted at overseas and inbound markets.



Supported languages

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

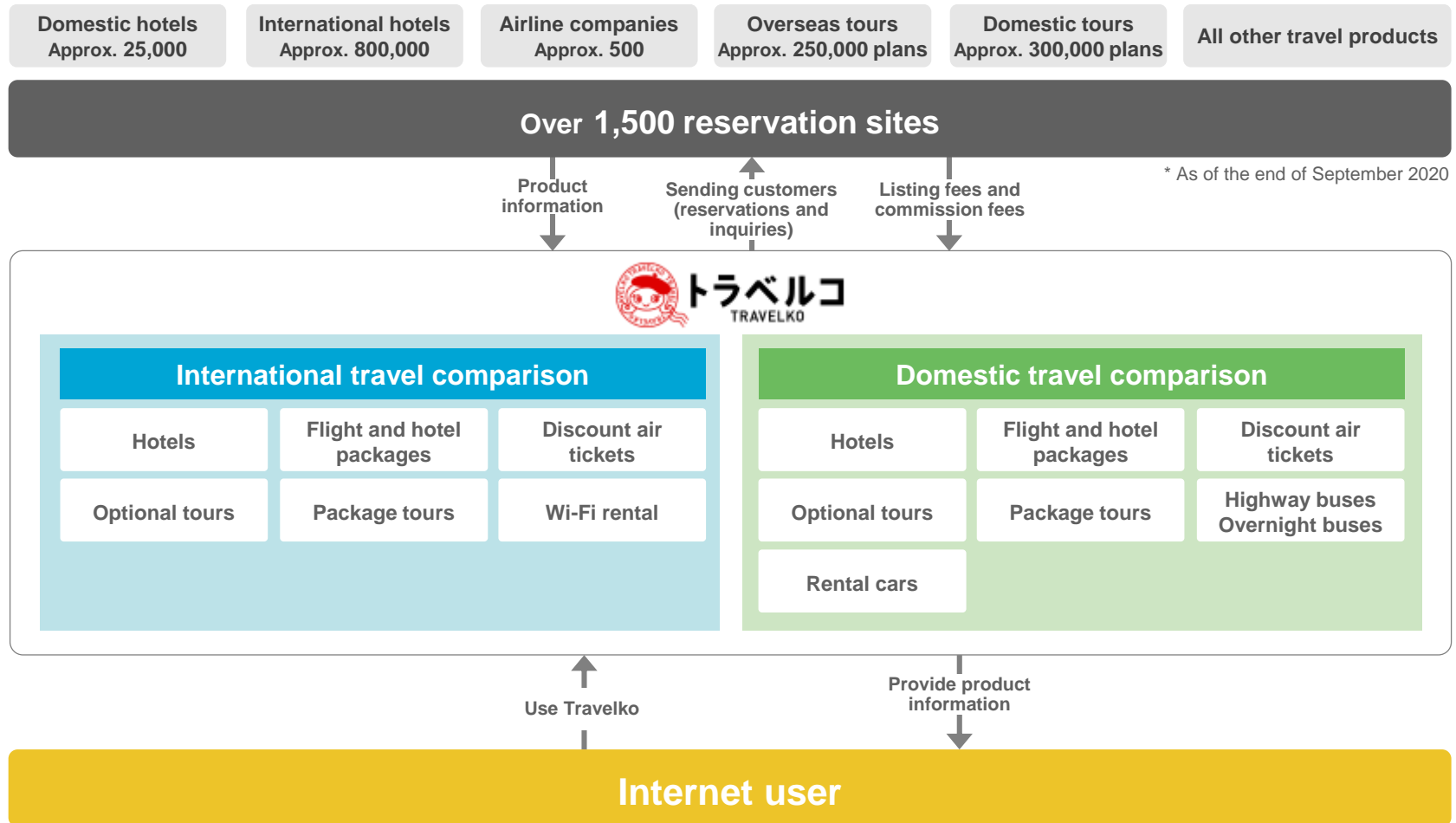
A site targeted at overseas and inbound markets, which introduces traditional crafts of Japan to the rest of the world



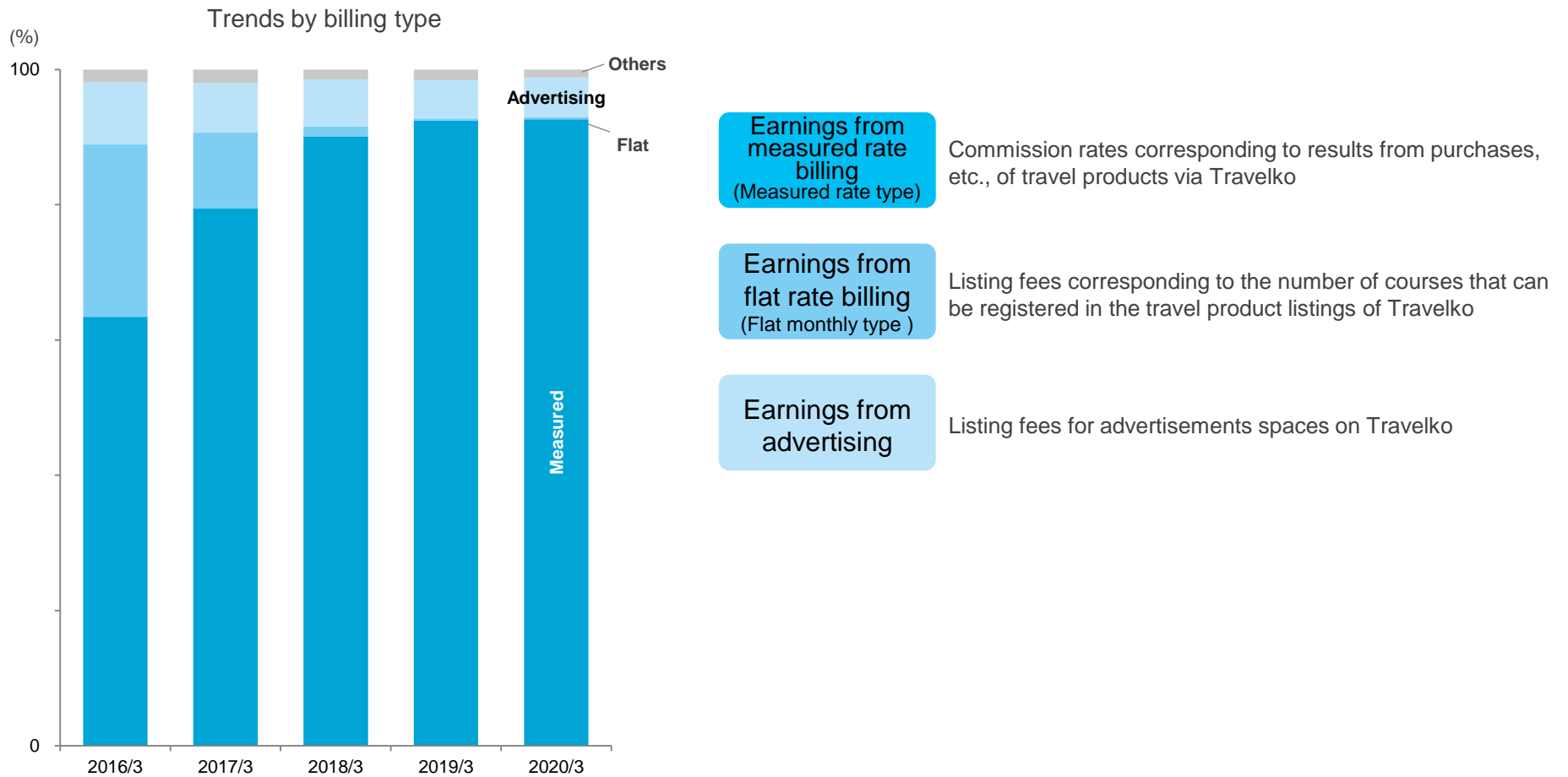
Supported languages

English
Japanese

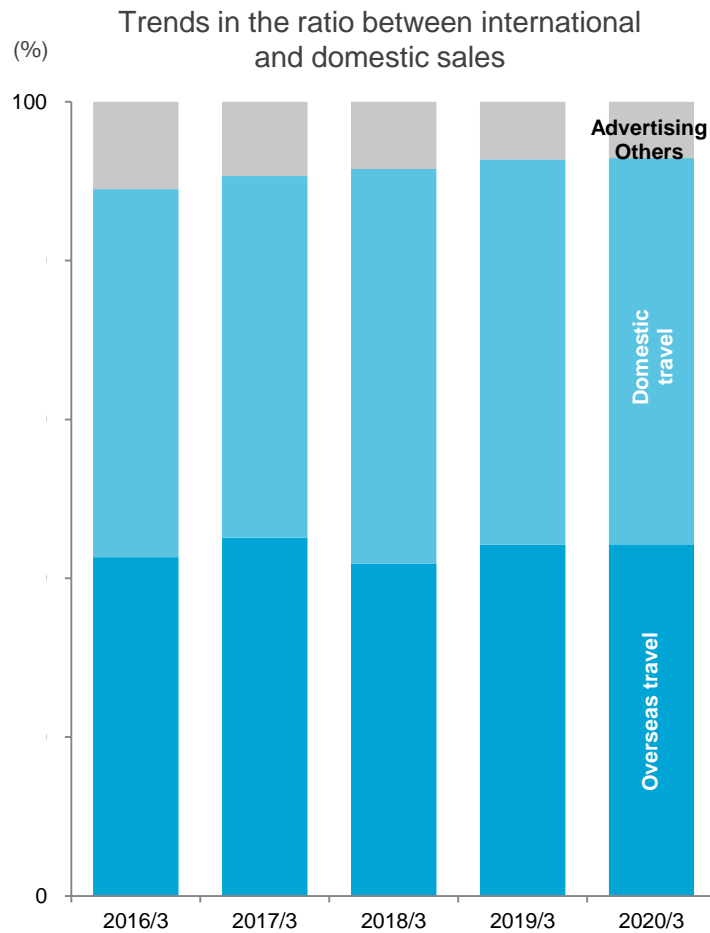
A business model that allows the majority of travel products to be compared



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



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

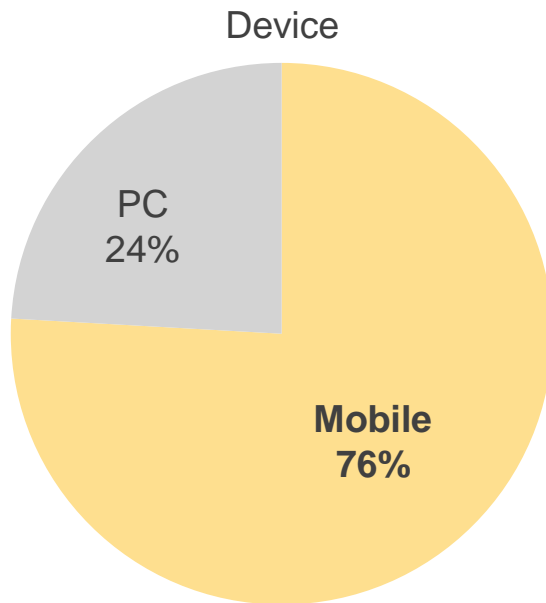


Flexibly corresponds to changes in market trends
due to changes in international or domestic popularity, or because of sudden events such as terrorist attacks, etc.

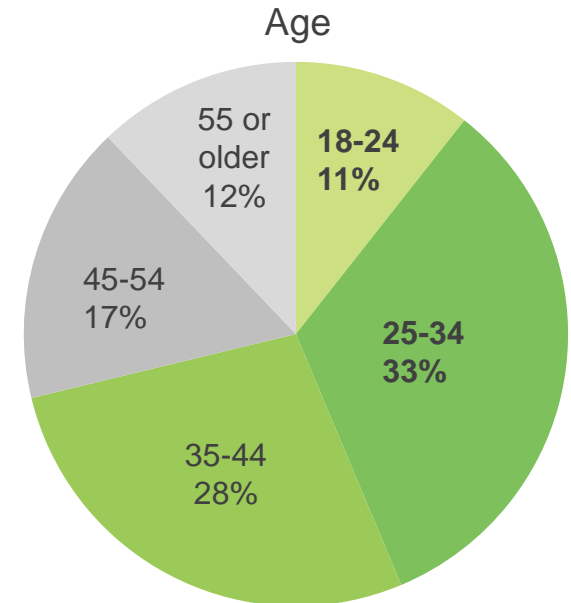
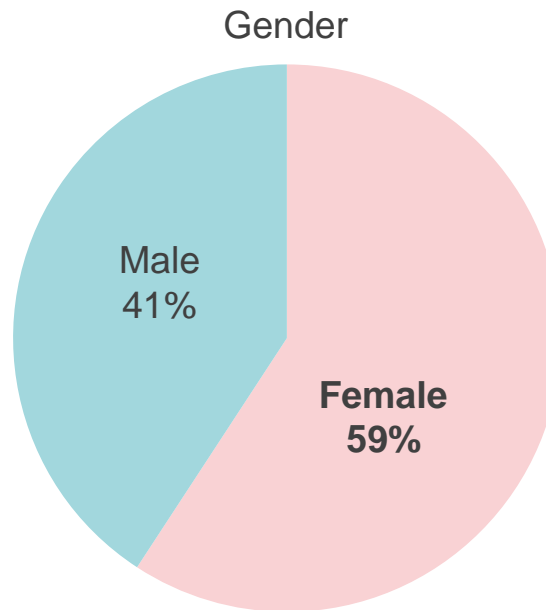
A structure that is resistant to exchange-rate fluctuations

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 (<https://www.tour.ne.jp/>) 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

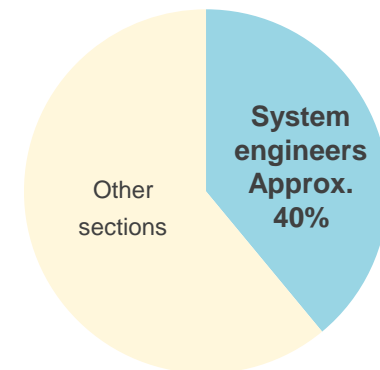
Advanced, large-scale system development is essential to covering this many travel products, linking more than 1,500 travel sites, and improving all of these products simultaneously.

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.

For inquiries regarding this document or IR,
please contact the office listed below.

Administrative Division, OpenDoor Inc.

TEL: 03-5545-7215 FAX: 03-3586-8708

Homepage: <https://www.opendoor.co.jp>