

# Financial Results for Second Quarter of Fiscal Year Ending March 2022



OpenDoor Inc.  
(Stock Code: 3926)

1. Highlights
2. Impact of COVID-19 Pandemic
3. Second Quarter: Financial Overview
4. FY2022 March: Financial Projections
5. Main Future Initiatives
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1. **Highlights**
2. Impact of COVID-19 Pandemic
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## ■ Impact of COVID-19 Pandemic

- The number of new cases of COVID-19 reached a record high in late August, but then began to drop gradually. Since late September, the figure had decreased at a faster rate, and in October it reduced by 97.0% compared with the August level. If this situation continues, the demand for domestic travel is expected to recover rapidly from November onwards.  
\* See Page 5 “Impact of COVID-19 Pandemic.”

## ■ Results for 2Q FY2022 March

Cumulative period (April to September)

- Sales: **529 million yen** (up 15.2% from 2Q of previous year, **down 81.0%** from 2Q of FY2020 March)
- Operating profit: **-395 million yen** (**-470 million yen** in 2Q of previous year, **987 million yen** in 2Q of FY2020 March)
- With the number of new cases reaching a record high in late August, the COVID-19 pandemic continued to have a significant impact on our business performance. However, sales were larger and operating loss was smaller than the respective results for 2Q of the previous year.

## ■ FY2022 March: Financial Projections

- If the number of new cases of COVID-19 continues to decline, the domestic travel market is likely to recover rapidly. However, since some uncertainties remain, financial projections for FY2022 March are “yet to be determined” at the present moment and will be announced when they become reasonably predictable.
- Based on the assumption that the number of new cases of COVID-19 will fall, demand for domestic travel is expected to recover markedly from November onwards and that for overseas travel from next year onwards.
- The government is currently considering to resume the Go To Travel subsidy campaign.
- If domestic travel demand recovers to 70% of the level of the same month in 2019, the Company is expected to become profitable on a monthly basis, even without a recovery in overseas travel demand.
- We will continue to accelerate development, capture growing demand in the recovery phase, and further expand services and strengthen our competitiveness.

\*2Q of FY2022 March: Capital-to-asset ratio is 89.5%; Cash and deposits balance at the end of the period is approx. 3.1 billion yen.

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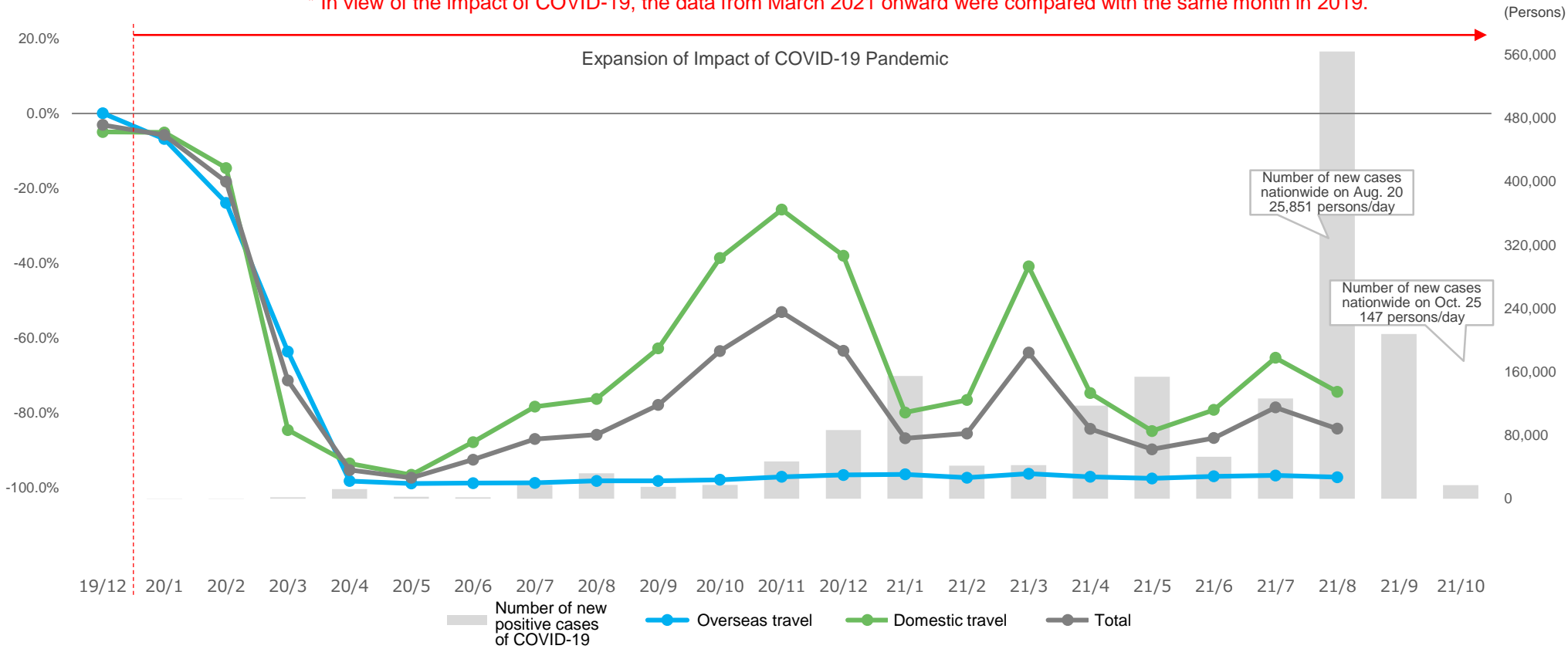
# Impact of COVID-19 Pandemic

- The number of new cases of COVID-19 reached a record high in late August, but then began to drop gradually. Since late September, the figure had decreased at a faster rate, and in October it reduced by 97.0% compared with the August level. If this situation continues, domestic travel demand is expected to recover rapidly from November onwards.

\*“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 and Changes in Monthly Number of New Positive Cases of COVID-19

\* In view of the impact of COVID-19, the data from March 2021 onward were compared with the same month in 2019.



Source: Compiled by our company based on Japan Tourism Agency's "Preliminary Report on Travel Services Provided by the Major Travel Agencies."  
Prepared by the Company based on the trend in the number of newly confirmed cases (daily) in the COVID-19 Open Data of the Ministry of Health, Labour and Welfare.

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## 2Q FY2022 March: Financial Overview (Accounting Period)

- Sales were greatly affected by the COVID-19 pandemic, with the number of new cases reaching a record high in late August.
- In the previous year, the Go To Travel subsidy campaign started in July.
- In the year under review, a state of emergency was declared mainly in major metropolitan areas, and accordingly, people refrained from leaving home during the July-to-September period.
- Costs remained at the same level as in the previous quarter.
- Operating loss was smaller than in the previous quarter.

Unit: millions of yen

	2Q FY2021/3 (accounting period) Results	2Q FY2022/3 (accounting period) Results			1Q FY2022/3 (accounting period) Results	QoQ	2Q FY2020/3 (accounting period) Results	Comparison to 2Q of FY2020/3
		Amount of change	YoY					
Sales	341	296	-45	-13.2%	232	+27.5%	1,489	-80.1%
Cost of sales	154	162	+8	+5.4%	163	-0.2%	165	-1.5%
Gross profit	187	133	-53	-28.5%	69	+92.1%	1,323	-89.9%
Selling, general and administrative expenses	312	293	-18	-5.9%	305	-3.7%	895	-67.2%
Operating profit	-124	-160	-35	-	-235	-	428	-
Ordinary profit	-80	-126	-46	-	-196	-	429	-
Net incomes	-83	-127	-43	-	-197	-	266	-
Operating margin	-	-	-	-	-	-	28.8%	-



## 2Q FY2022 March: Financial Overview (Cumulative Period)

- With the number of new cases reaching a record high in late August, the COVID-19 pandemic continued to have a significant impact on our business performance. However, sales were larger and operating loss was smaller than the respective results for 2Q of the previous year.

Unit: millions of yen

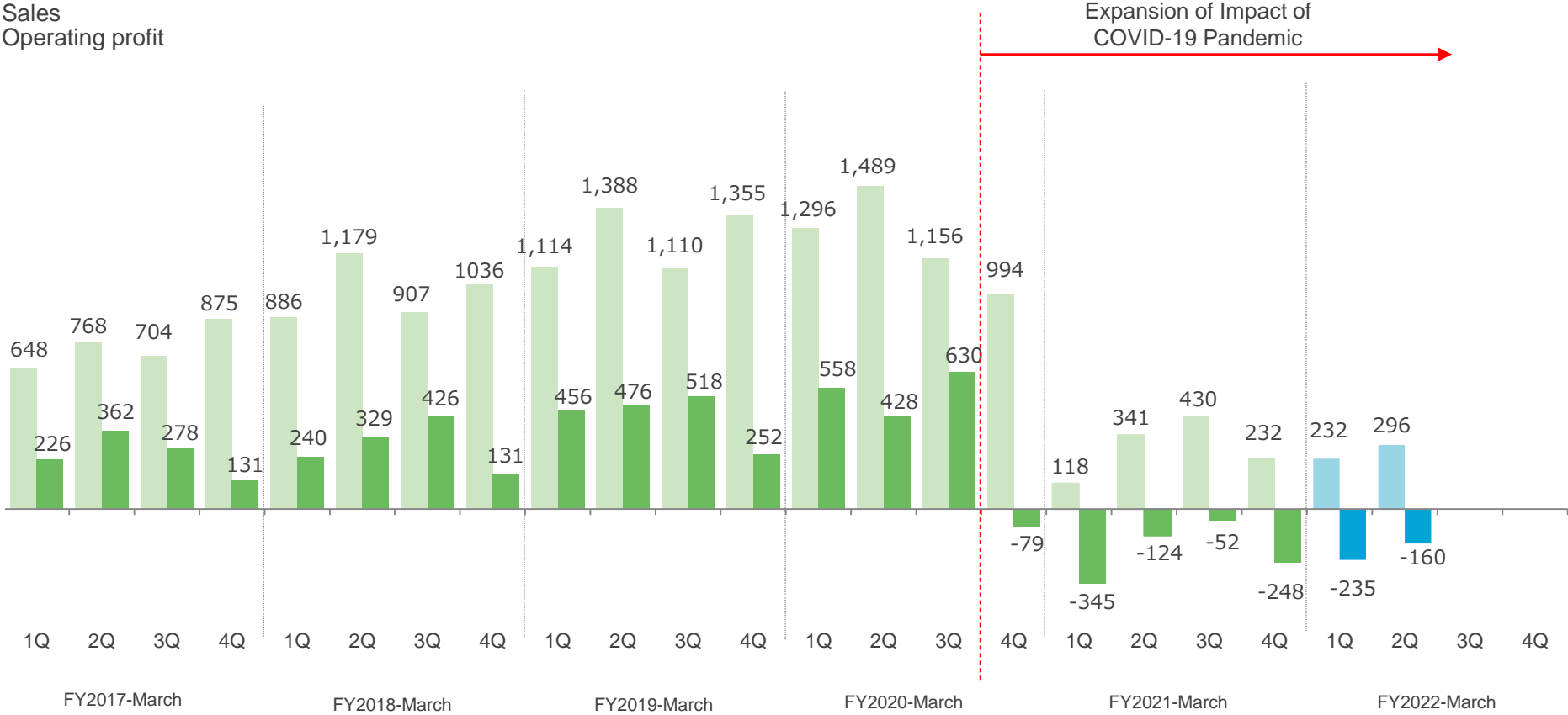
	2Q FY2021/3 (cumulative period) Results	2Q FY2022/3 (cumulative period) Results		Amount of change	YoY	2Q FY2020/3 (cumulative period) Results	Comparison to 2Q of FY2020/3
Sales	459	529	+69	+15.2%	2,785	-81.0%	
Cost of sales	314	325	+11	+3.7%	330	-1.4%	
Gross profit	145	203	+58	+39.8%	2,455	-91.7%	
Selling, general and administrative expenses	616	599	-17	-2.8%	1,467	-59.2%	
Operating profit	-470	-395	+75	-	987	-	
Ordinary profit	-421	-323	+97	-	988	-	
Net incomes	-445	-324	+120	-	615	-	
Operating margin	-	-	-	-	35.4%	-	

# 2Q FY2022 March: Financial Overview / Trends in Quarterly Results

- Sales trends differ significantly from those in usual years due to the large impact of the prolonged COVID-19 pandemic.

Unit: millions of yen

■ Sales  
■ Operating profit



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## ■ FY2022 March: Financial Projections

If the number of new cases of COVID-19 continues to decline, the domestic travel market is likely to recover rapidly. However, since some uncertainties remain, it is difficult to make an appropriate and reasonable projection for FY2022 March.

Therefore, financial projections for FY2022 March are “yet to be determined” at the present moment, and will be announced when they become reasonably predictable.

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

Based on the assumption that the number of new cases of COVID-19 will fall, demand for domestic travel is expected to recover markedly from November onwards and that for overseas travel from next year onwards.

The government is currently considering resuming the Go To Travel subsidy campaign. If domestic travel demand recovers to 70% of the level of the same month in 2019, the Company is expected to become profitable on a monthly basis, even without a recovery in overseas travel demand. In addition, we have a strong financial foundation.

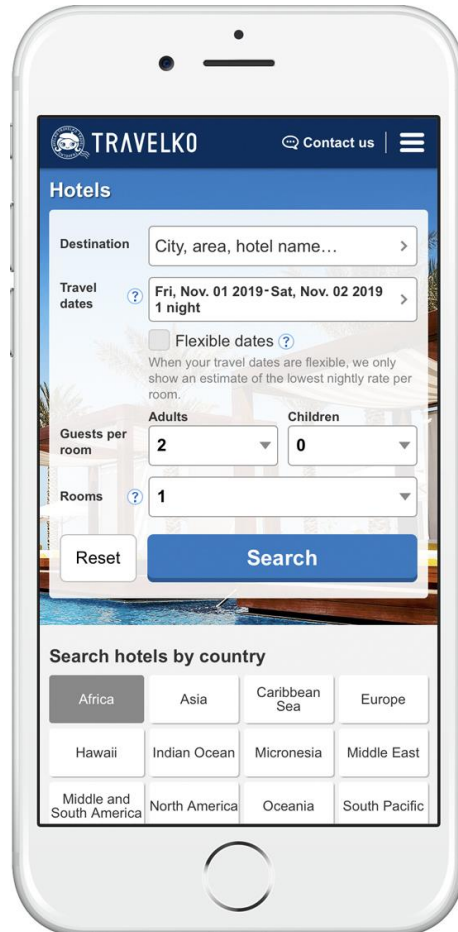
In light of these circumstances, we will continue to accelerate development, capture growing demand in the recovery phase, and further expand services and strengthen our competitiveness.

\*2Q of FY2022 March: Capital-to-asset ratio is 89.5%; Cash and deposits balance at the end of the period is approx. 3.1 billion yen.

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- Offer promotions in response to the market needs in the recovery phase of tourism demand
- Renewal and enhancement of existing menus
- Expanding product information by enhancing connection with new affiliates
- Expanding travel information of popular domestic and overseas tourist spots
- Expansion of review and evaluation services for each menu
- Expand the range of cross-comparison services (Vacation rentals, travel insurance, outdoor activity, etc.)



- Reinforcement of COVID-19 related information
- Establish price advantage by enhancing affiliation with new major websites in the local market
- Enhancement of user interface and localization
- Release the TRAVELKO (Global site) app
- Expansion of tourism information

## Planning to release more than 30 renewed/enhanced menus within the current fiscal year and more than 70 within one year

Examples of recent and upcoming releases

### Domestic hotels

- Display facilities that offer local discounts and the reservation method for each reservation site (already available)\*1
- Display a detailed cancellation policy for each plan (available soon)\*2
- Renewal of the refinement function (available soon)
- Also preparing for the resumption of the GoTo Travel subsidy program

### Domestic air tickets

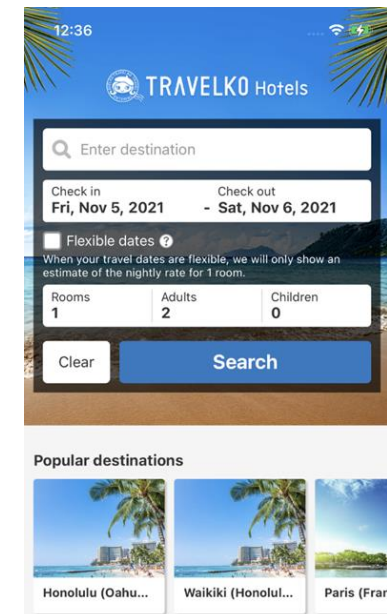
- Complete renewal of the refinement function, display items, design, etc. (available soon)

### Fun/experience

- Display list by service provider (already available)

### TRAVELKO (global site)

- Native app of TRAVELKO for overseas and Japan inbound markets (available soon)





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## 2Q FY2022 March / Balance Sheet

- Capital-to-asset ratio is kept high at 89.5%.
- Cash and deposits balance at the end of the period is 3,162 million yen.
- Despite the impact of COVID-19, the balance of net assets increased to 6,425 million yen due to unrealized gains on investment securities.

Unit: millions of yen	End of March 2021 Results	End of September 2021 Results	Amount of change
Current assets	3,706	3,429	-277
Cash and deposits	2,918	3,162	+244
Other	788	266	-521
Non-current assets	2,989	3,741	+752
Total assets	6,696	7,171	+475
Current liabilities	117	141	+24
Non-current liabilities	368	604	+235
Total liabilities	485	745	+260
Net assets	6,210	6,425	+215
Capital	648	648	-
Capital surplus	473	473	-
Retained earnings	4,366	4,041	-324
Other	722	1,262	+540
Total liabilities and net assets	6,696	7,171	+475

## 2Q FY2022 March / Key Components of Cost of Sales and Selling, General and Administrative Expenses

- Costs remained at almost the same level as 2Q of the previous year.

Unit: millions of yen	2Q FY2021/3 (cumulative period) Results		2Q FY2022/3 (cumulative period) Results			
		% of sales		Amount of change	YoY	% of sales
Cost of sales	314	68.3%	325	+11	+3.7%	61.5%
Labor costs	233	50.7%	227	-5	-2.4%	43.0%
Other	81	17.7%	98	+17	+21.3%	18.6%
Selling, general and administrative expenses	616	134.0%	599	-17	-2.8%	113.1%
Personnel expenses	377	82.2%	400	22	+6.0%	75.6%
Advertising costs	34	7.6%	31	-3	-9.5%	6.0%
Other	203	44.3%	167	-36	-17.9%	31.6%

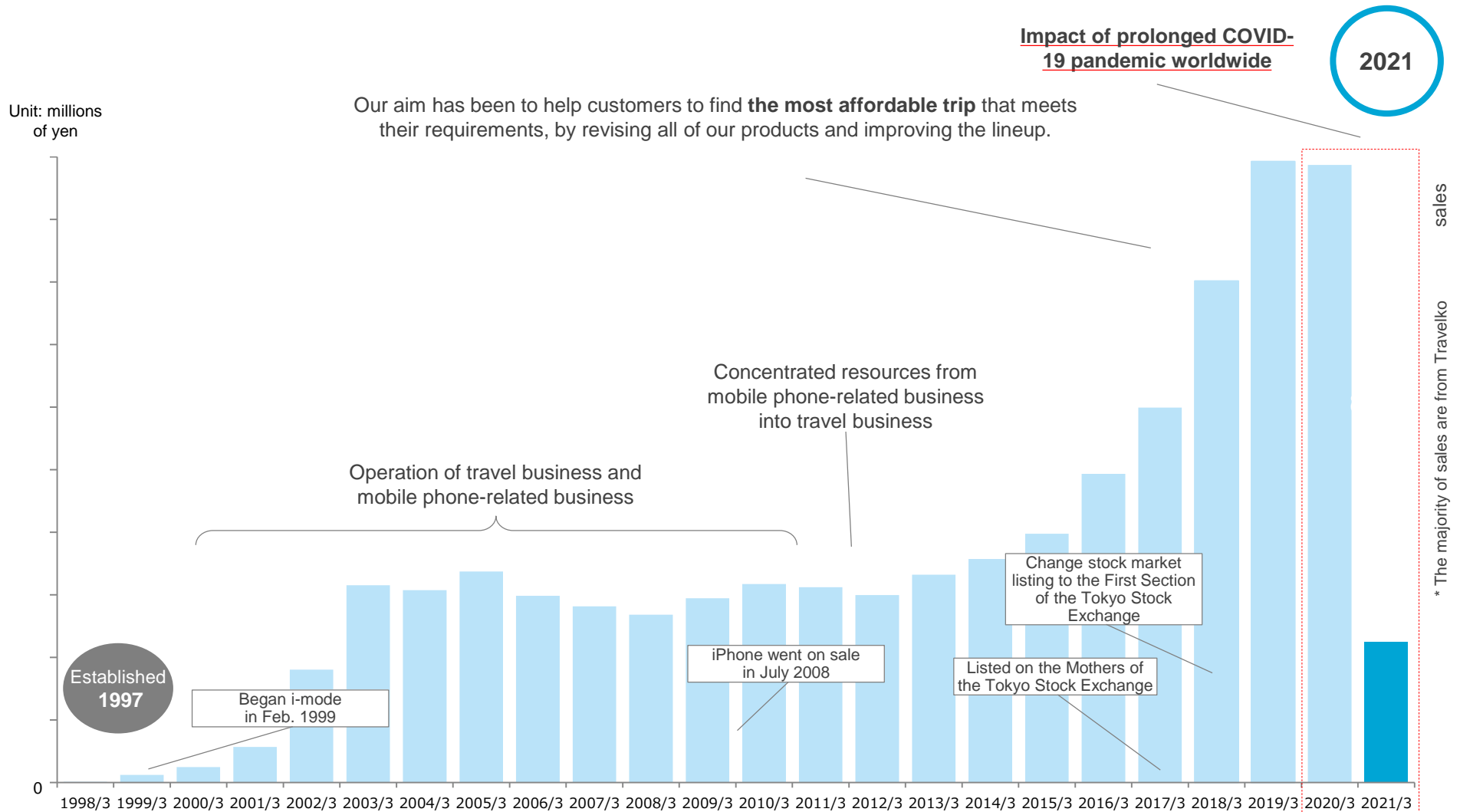
## 2Q FY2022 March / Cash Flow Statement

- Cash and cash equivalents at the end of September amounted to 3,162 million yen.

Unit: millions of yen	2Q FY2021/3 (cumulative period) results	2Q FY2022/3 (cumulative period) results	
Cash flows from operating activities	-666	+258	Net income before tax -323 million yen Income taxes refund 441 million yen
Cash flows from investing activities	-6	-13	Purchase of property, plant and equipment -12 million yen
Cash flows from financing activities	-	-0	—
Changes in cash and cash equivalents	-672	+244	—
Balance of cash and cash equivalents at the beginning of the period	5,650	2,918	—
Balance of cash and cash equivalents at the end of the period	4,978	3,162	—

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 191 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

不具合・要望  
予約サイトでのトラブル

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 (0)

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	国内格安航空券	海外オンライン体験ツアー 自宅に居ながら 海外旅行が味わえる	
国内ツアー	国内航空券+ホテル	海外ホテル	海外格安航空券
新幹線+ホテル	国内レンタカー	海外ツアー	海外航空券+ホテル
夜行バス・高速バス	遊び・体験	オプションツアー	海外Wi-Fiレンタル
日帰りバスツアー	ファイナルコール	ファイナルコール	

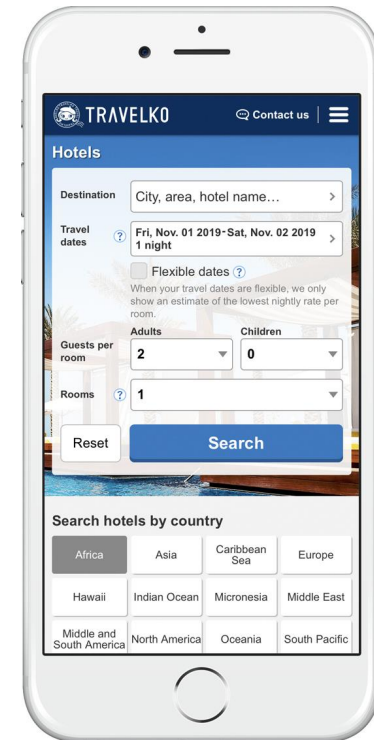
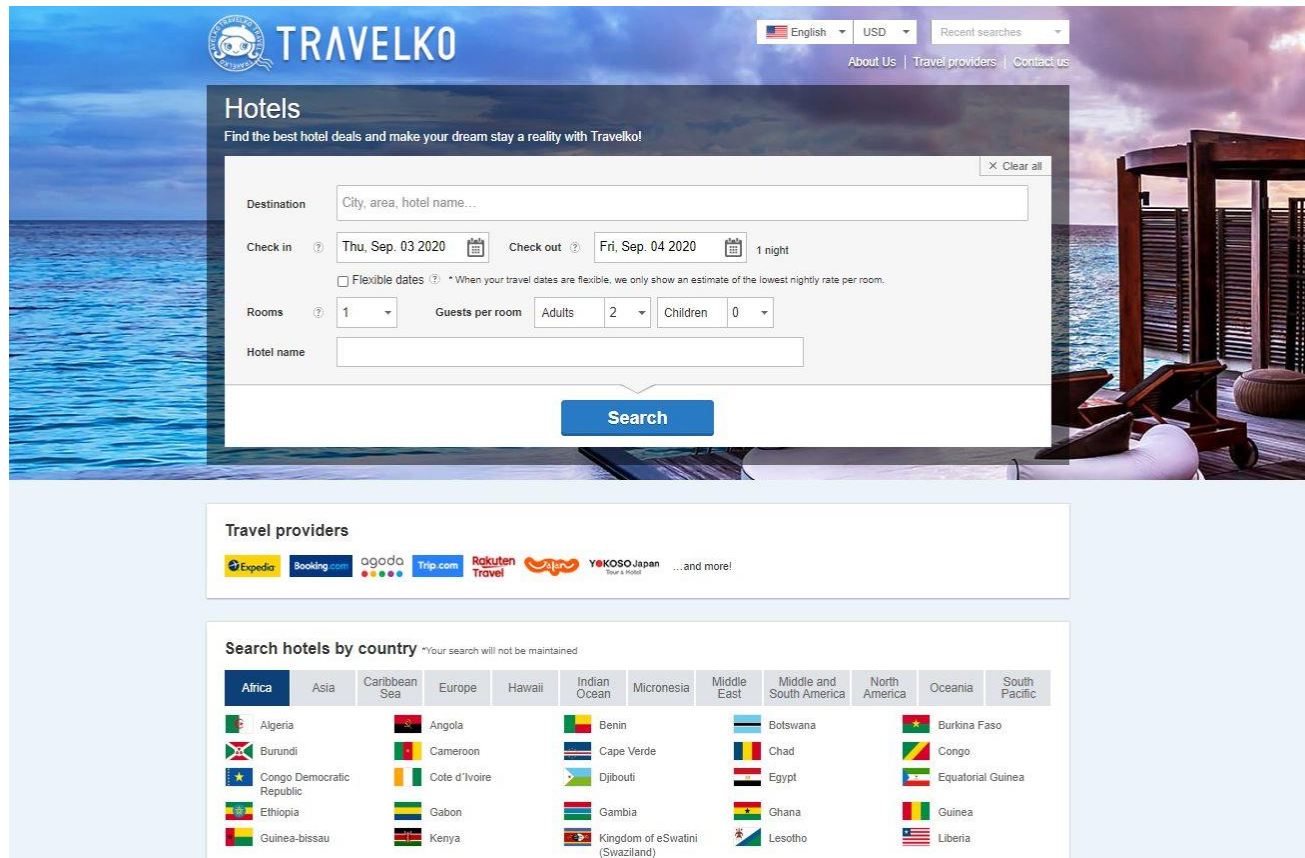
LINE スタンプ 販売中!  
全40種類!ご購入はこちらから

トラベルコちゃんが登場!

トラベルコの旅行比較をアプリでも!



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

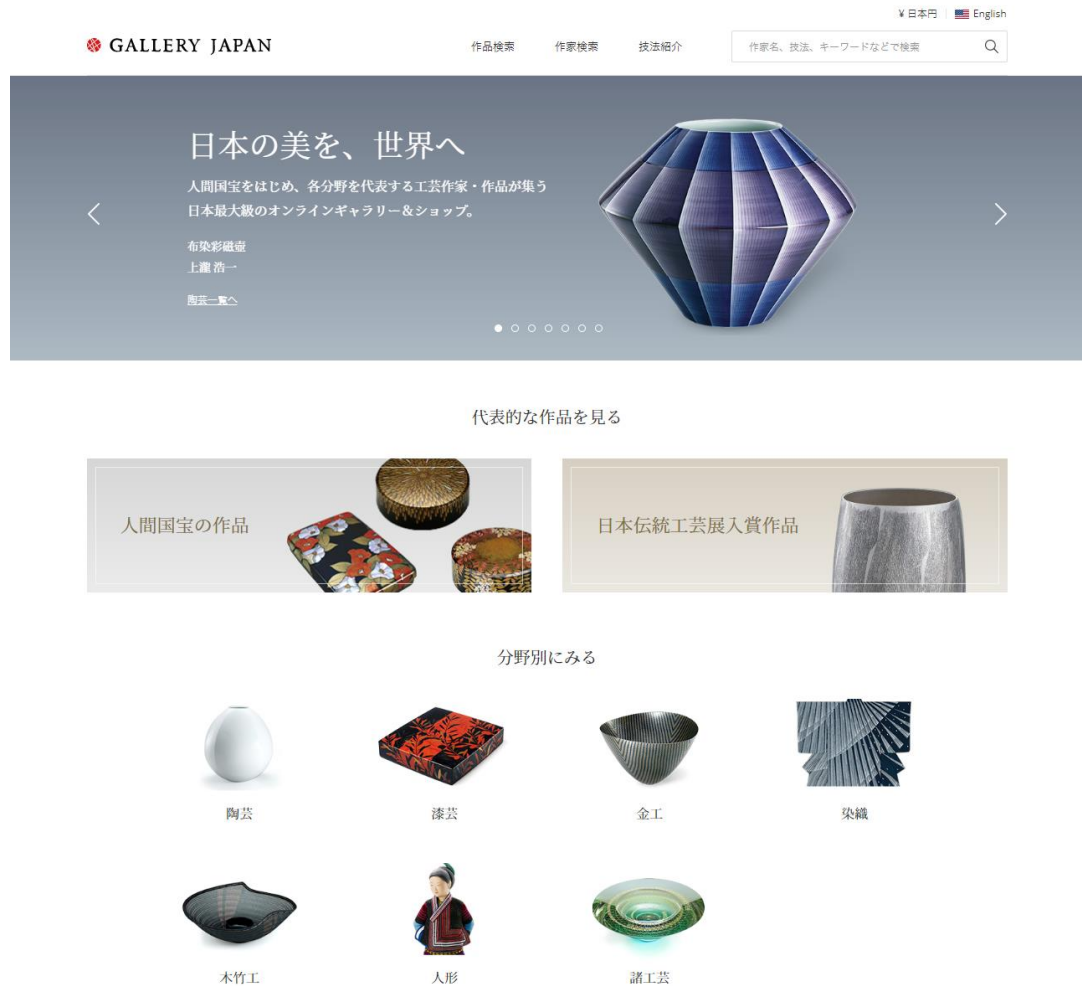


Supported languages

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



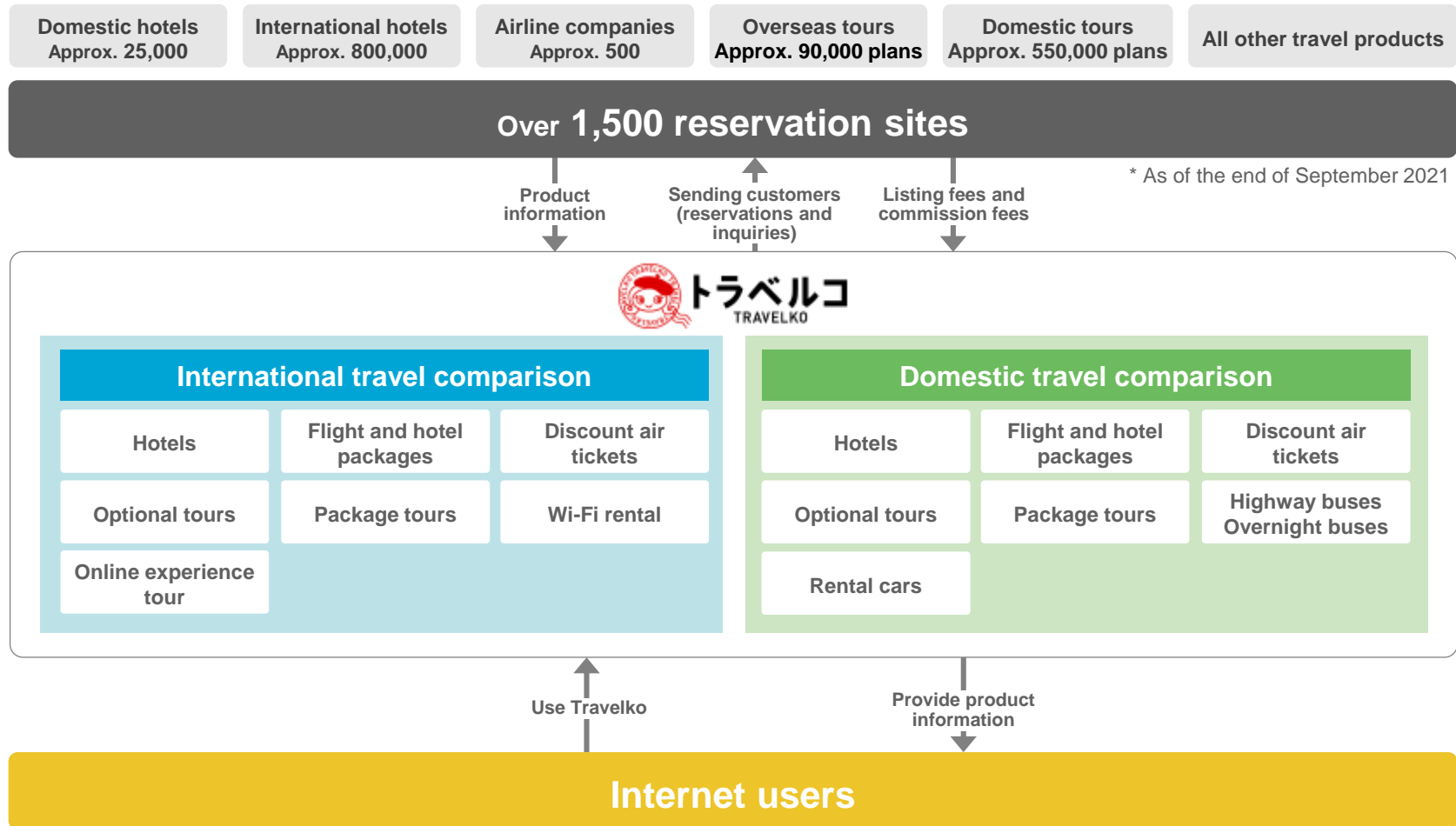
A site targeted at overseas and inbound markets, which introduces traditional crafts of Japan to the rest of the world



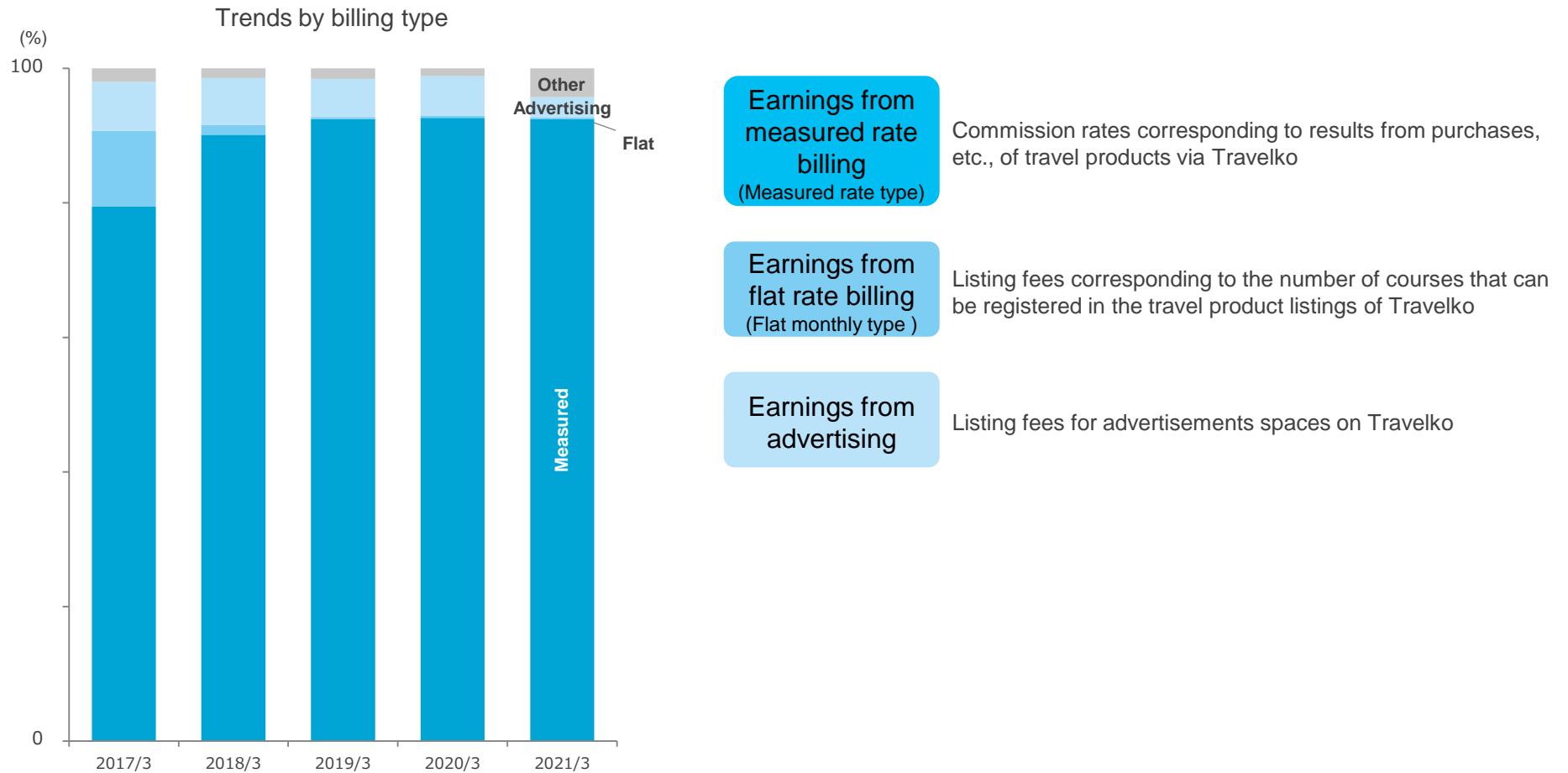
Supported languages

English  
Japanese

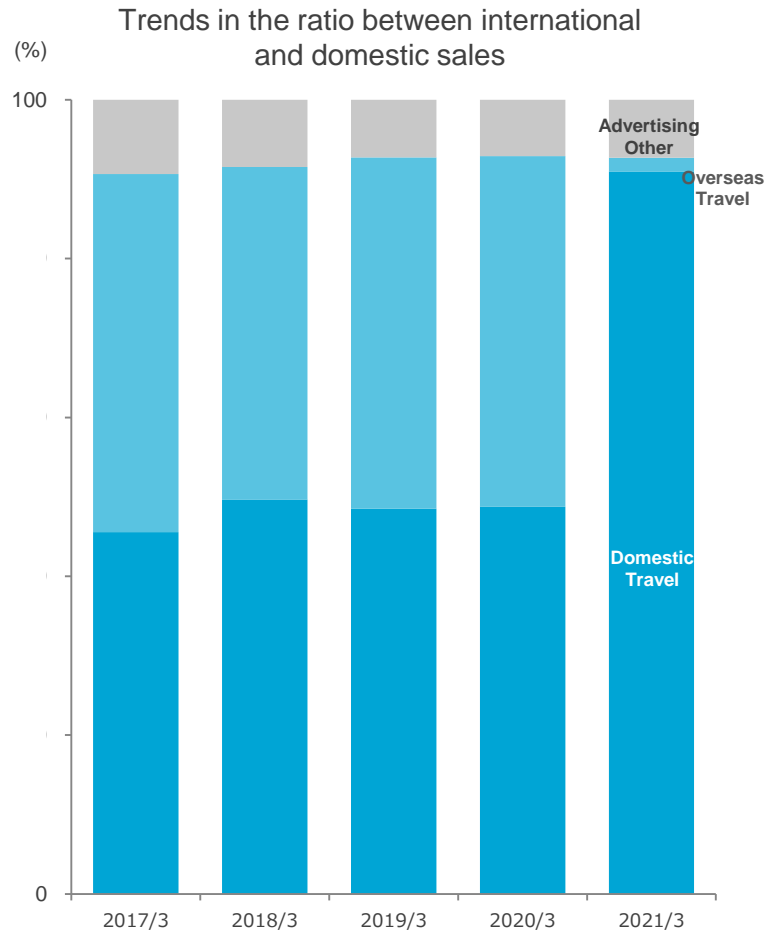
A business model that allows the majority of travel products to be compared



The main revenue model is earnings from measured rate billing of a measured rate type



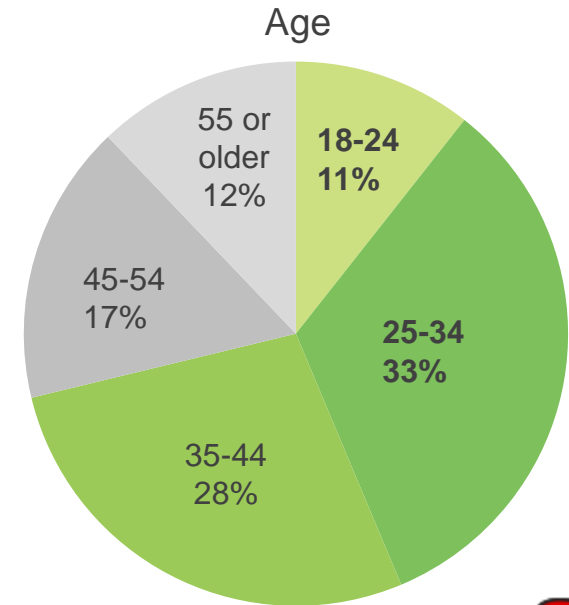
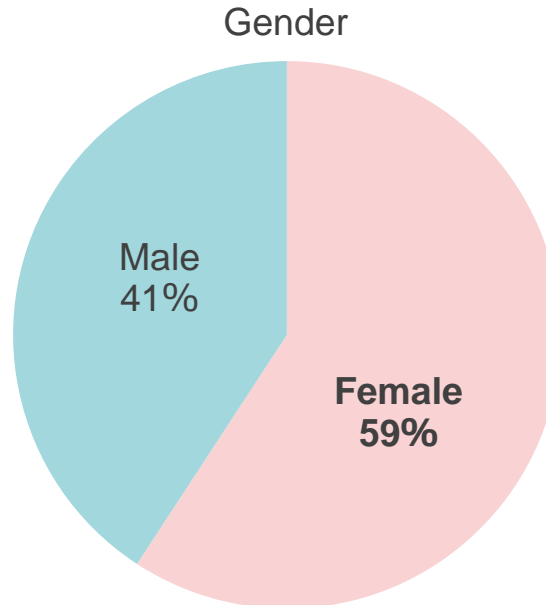
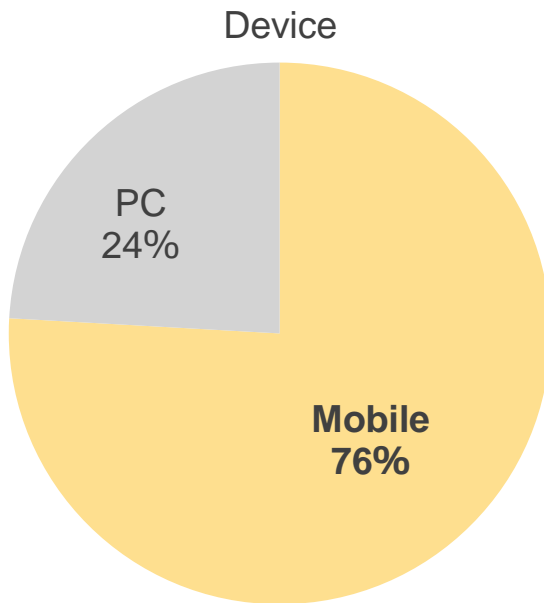
Domestic travel accounts for most of the sales of the previous year due to the impact of COVID-19



**The sales composition changed significantly due to the continued restrictions on overseas travel caused by the COVID-19 pandemic worldwide**

Data for FY2020 March is used, because the latest data does not reflect the general trend of user attributes due to the major impact of COVID-19

## 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 get support from such a wide range of users and maintain a high rate of growth when there are many other comparison sites in the market?

## 1. Covers the vast majority of travel products

While many other companies focus their comparisons on a specific category, such as only hotels or only air tickets, Travelko covers almost all domestic and international travel categories. Hotels, airline tickets, package tours, optional tours, car rental, overnight buses, overseas Wi-Fi rental, etc.

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

International travel comparison		
Hotels	Flight and hotel packages	Discount air tickets
Optional tours	Package tours	Wi-Fi rental
Online experience tour		
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, HIS, Tobu Top Tours, Hankyu Travel, ANA X Nishitetsu Travel, Meitetsu World Travel, Tabikobo, VELTRA

Rakuten Travel, Ikyu, Rurubu Travel, Yahoo Travel

Expedia Booking.com agoda Trip.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

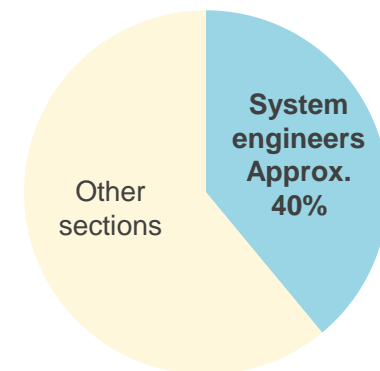
Advanced, large-scale system development is essential to covering this many travel products, linking more than 1,500 travel sites, and improving all of these products simultaneously.

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 about 80 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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