

# Financial Results for the Second Quarter of the Fiscal Year Ending March 2023



OpenDoor Inc.  
(Stock Code: 3926)

1. Highlights
2. Impact of COVID-19 Pandemic on the Tourism Market
3. Second Quarter: Financial Overview
4. 2Q FY2023 March: Initiatives
5. FY2023 March: Financial Projections
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## ■ Impact of COVID-19 Pandemic on the Tourism Market

- After July, travel demand temporarily declined due to the rapid spread of COVID-19 caused by the new variant. However, travel demand has been on a remarkable recovery trend since September, and from October, the domestic travel market is expected to be at almost the same level as before the pandemic, partly due to the implementation of the National Travel Support program.
- Despite the impact of yen depreciation, the outbound travel markets, starting in business travel, have also been on a recovery trend since October, due to the easing of border rules in Japan and other countries.

\* See Page 5 “Impact of COVID-19 Pandemic on the Tourism Market.”

## ■ Results for 2Q FY2023 March

[Accounting period (July to September)]

- Sales: **523 million yen (up 76.5%** from 2Q of previous year, **down 64.8%** from 2Q of FY2020 March)
- Operating profit: **8 million yen (-160 million yen** in 2Q of previous year, **-98.0%** in 2Q of FY2020 March)
- Thanks to the recovery in the domestic travel market, both sales and operating profit were significantly higher than the same period of the previous year.
- Development investment was accelerated in anticipation of market recovery (Cost of sales: up ¥40 million from 2Q of previous year)

## ■ FY2023 March: Financial Projections

- Although the travel market is on a recovery trend, there are still factors that remain uncertain. Financial projections for FY2023 March are “yet to be determined” at the moment and will be announced when they become reasonably predictable.
- Although the COVID-19 pandemic has not yet fully subsided, the recovery of the travel market is progressing. The domestic travel market is returning to the level before the pandemic, and the outbound travel market is also expected to significantly recover from next year due to the easing of border rules in other countries despite the impact of yen depreciation.
- With our strong financial base and in anticipation of business recovery in proportion to travel demand, we will further make development investments in order to expand our services and strengthen our competitiveness.

\*2Q of FY2023 March: Capital-to-asset ratio is 90.2%; Cash and deposits balance at the end of the period is approx. 2.9 billion yen.

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# Impact of COVID-19 Pandemic on the Tourism Market

- Although the travel demand temporarily declined due to the rapid spread of the new COVID-19 variant from July, there has been a remarkable recovery trend since September, and from October, the domestic travel market is expected to be at almost the same level as before the pandemic, partly due to the implementation of the National Travel Support program.
- Despite the impact of yen depreciation, the outbound travel markets, starting in business travel, have also been on a recovery trend since October, due to the easing of border rules in Japan and other countries.

## 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 and prepared by our company based on "Preliminary Report on Travel Services Provided by the Major Travel Agencies" of Japan Tourism Agency and the trend in the number of newly confirmed cases (daily) in the COVID-19 Open Data of the Ministry of Health, Labour and Welfare.  
 \*\*"Total" on the chart indicates total sales calculated by our company by combining overseas and domestic travel sales of major travel agencies.

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## 2Q FY2023 March: Financial Overview (Accounting Period)

- Thanks to the recovery in the domestic travel market, both sales and operating profit were significantly higher than the same period of the previous year.
- Development investment was accelerated in anticipation of market recovery (Cost of sales: up ¥40 million from 2Q of previous year)

Unit: millions of yen

	2Q FY2022/3	2Q FY2023/3			1Q FY2023/3 Results	Comparison to 1Q FY2023/3	2Q FY2020/3 Results	Comparison to 2Q 2020/3
		2Q FY2023/3	Amount of change	Comparison to 2Q FY2022/3				
Sales	296	523	+227	+76.5%	441	+18.8%	1,489	-64.8%
Cost of sales	162	206	+43	+26.9%	166	+24.4%	165	+25.1%
Profit margin on sales	133	317	+183	+136.9%	275	+15.3%	1,323	-76.0%
Selling, general and administrative expenses	293	308	+14	+5.0%	324	-4.8%	895	-65.5%
Operating profit	-160	8	+168	-	-49	-	428	-98.0%
Ordinary profit	-126	24	+151	-	-34	-	429	-94.3%
Current profit	-127	11	+139	-	-35	-	266	-95.6%
Operating margin	-	1.6%	-	-	-	-	28.8%	-



## 2Q FY2023 March: Financial Overview (Cumulative Period)

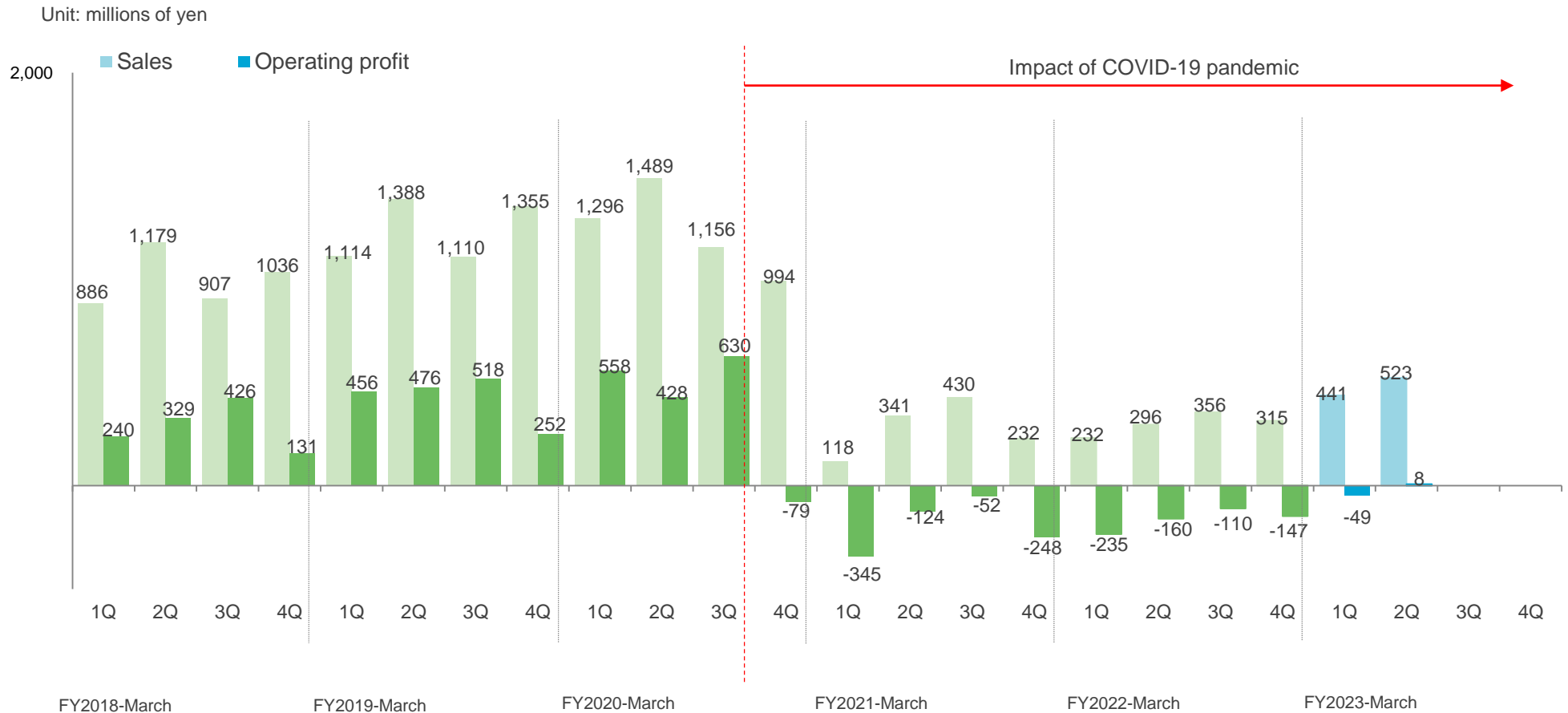
- Thanks to the recovery in the domestic travel market, both sales and operating profit were significantly higher than the same period of the previous year.

Unit: millions of yen

	2Q FY2022/3 (cumulative period) Results	2Q			2Q FY2020/3 (cumulative period) Results	Comparison to 2Q FY2020/3 (cumulative period)
		2Q FY2023/3 (cumulative period) Results	Amount of change	Comparison to 2Q FY2022/3 (cumulative period)		
Sales	529	964	+435	+82.2%	2,785	-65.4%
Cost of sales	325	372	+46	+14.3%	330	+12.8%
Profit margin on sales	203	592	+388	+190.8%	2,455	-75.9%
Selling, general and administrative expenses	599	633	+33	+5.7%	1,467	-56.9%
Operating profit	-395	-40	+354	-	987	-
Ordinary profit	-323	-9	+313	-	988	-
Current profit	-324	-23	+301	-	615	-
Operating margin	-	-	-	-	35.4%	-

# 2Q FY2023 March: Financial Overview / Trends in Quarterly Results

- Sales trend is different from that before COVID-19 and largely affected by the pandemic



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## Released 40 development projects in Q2, with more than 60 projects in progress

Examples of recent releases

### Website design renewal

- Revamped smartphone top page design



### Overseas air tickets

- Display of eco-friendly flights



### Domestic air tickets

- Improvement of search speed and enhancement of connecting flight information



### Common to five menus

- Preparing for the National Travel Support program  
Display of detailed information, including discount amount and reservation method for each travel plan



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## ■ FY2023 March: Financial Projections

Although the travel market is on a recovery trend, there are still uncertain factors. It is difficult to appropriately and rationally forecast the financial results for the fiscal year ending March 2023.

Therefore, financial projections for FY2023 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

Although the COVID-19 pandemic has not yet fully subsided, the recovery of the travel market is progressing. The domestic travel market is returning to the level before the pandemic, and the outbound travel market is also expected to significantly recover from next year due to the easing of border rules in other countries despite the impact of yen depreciation.

With our strong financial base and in anticipation of business recovery in proportion to travel demand, we will further make development investments in order to expand our services and strengthen our competitiveness.

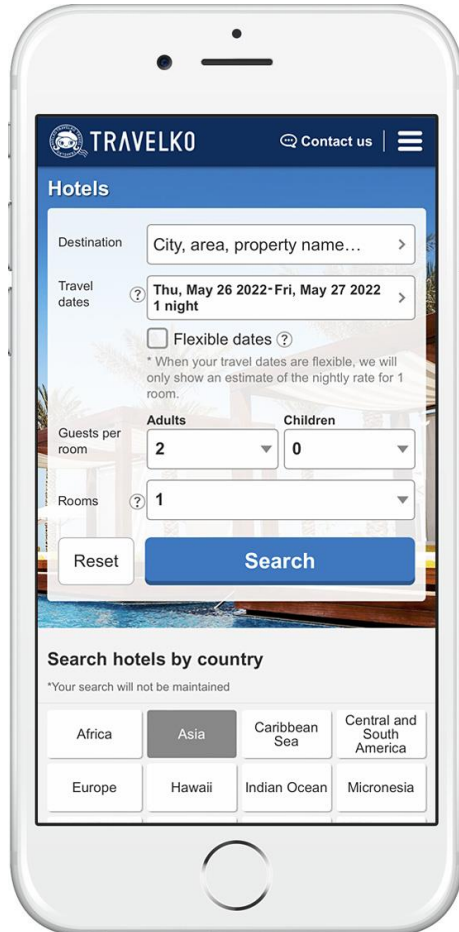
\*2Q of FY2023 March: Capital-to-asset ratio is 90.2%; Cash and deposits balance at the end of the period is approx. 2.9 billion yen.

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- Offer promotions in response to the market needs in the recovery phase of tourism demand
- Renewal and function enhancement of existing menus
- Expanding product information by enhancing connection with new affiliates
- Expanding travel information on popular domestic and overseas tourist landmarks
- Expansion of review and evaluation services for each menu
- Expand the range of cross-comparison services (vacation rentals, travel insurance, outdoor activity, etc.)
- Providing marketing support tools for travel agencies
- Website design renewal





- Establish price advantage by strengthening affiliation with local major websites
- Enhancement of user interface and localization
- Release the TRAVELKO (Global site) app
- Expansion of tourism information
- Consider promotion of sales

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## 2Q FY2023 March/Balance Sheet

- Capital-to-asset is kept high at 90.2%.
- Cash and deposits balance at the end of the period is 2,975 million yen.

Unit: millions of yen	End of 2022/3 Results	End of 2022/9 Results	Amount of change
Current assets	3,274	3,354	+80
Cash and deposits	3,018	2,975	-43
Other	255	379	+124
Fixed assets	2,094	2,798	+704
Total assets	5,368	6,153	+785
Current liabilities	171	268	+96
Fixed liabilities	109	327	+218
Total liabilities	280	595	+314
Net assets	5,087	5,557	+470
Capital	648	648	-
Capital reserves	473	473	-
Earned surplus	3,821	3,797	-23
Other	144	638	+493
Total liabilities and net assets	5,368	6,153	+785

## 2Q FY2023 March / Key Components of Cost of Sales and Selling, General and Administrative Expenses

- Cost of sales (outsourcing expenses) increased by 40 million yen due to accelerated development investment in anticipation of market recovery
- Increased advertising costs by 48 million yen in line with increased travel demand

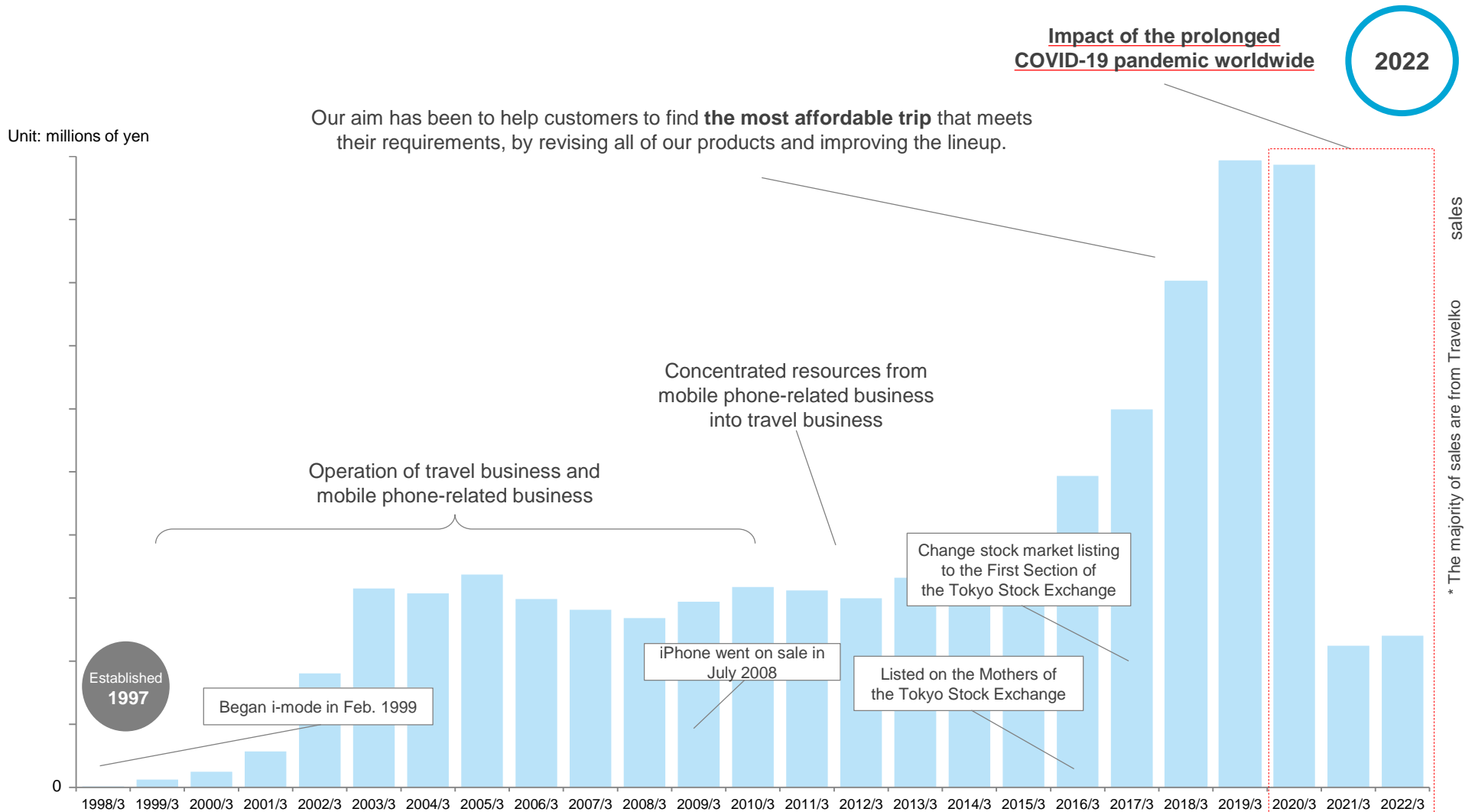
Unit: millions of yen	2Q FY2022/3 (cumulative period) Results		2Q FY2023/3 (cumulative period) Results			
		% of sales		Amount of change	YoY	% of sales
Cost of sales	325	61.5%	372	+46	+14.3%	38.6%
Labor costs	227	43.0%	229	+2	+1.1%	23.8%
Other	98	18.6%	142	+44	+45.0%	14.8%
Selling, general and administrative expenses	599	113.1%	633	+33	+5.7%	65.6%
Personnel expenses	400	75.6%	381	-19	-4.8%	39.5%
Advertising costs	31	6.0%	79	+48	+153.6%	8.3%
Other	167	31.6%	171	+4	+2.8%	17.8%

## 2Q FY2023 March / Cash Flow Statement

- Cash and cash equivalents at the end of September amounted to 2,975 million yen.

Unit: millions of yen	2Q FY2022/3 (cumulative period) Results	2Q FY2023/3 (cumulative period) Results	
Cash flows from operating activities	+258	-31	Increase in trade receivables -99 million yen Increase in trade payables +46 million yen
Cash flows from investing activities	-13	-12	Purchase of property, plant and equipment -9 million yen
Cash flows from financing activities	-0	-	-
Amount of change in cash and cash equivalents	+244	-43	-
Balance of cash and cash equivalents at the beginning of the period	2,918	3,018	-
Balance of cash and cash equivalents at the end of the period	3,162	2,975	-

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 Prime Market (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 189 employees



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(東証プライム) | お問い合わせ・不具合・要望

▼ 初めての方へ | よくある質問 | メールマガ

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(2)

### 全国旅行支援 スタート!

対象：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・JR特急+ホテル

国内旅行		海外旅行	
国内ホテル・宿	全国旅行支援割	国内格安航空券	コロナによる入国制限
国内ツアー	全国旅行支援割	国内航空券+ホテル	海外オンライン体験ツアー
新幹線・JR特急+ホテル	全国旅行支援割	国内レンタカー	海外ホテル
高速バス・夜行バス		遊び・体験	海外格安航空券
日帰りバスツアー	全国旅行支援割	ファイナルコール(直前割)	海外ツアー
			海外航空券+ホテル
			オプションツアー
			海外Wi-Fiレンタル
			ファイナルコール(直前割)

トラベルコの旅行比較をアプリでも!

ソウルほか全100都市のクチコミ情報

世界155エリア! 人気スポットまとめ

19:29 | 4G | 電池

ああ | tour.ne.jp

トラベルコ | お問い合わせ | 不具合 | 履歴 | 検索 | 三

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!

国内旅行		海外旅行	
全国旅行支援について ※		コロナによる入国制限	
※ ホテル・宿	※ 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・特急+ホテル	※ 遊び・体験	※ オプションツアー	※ 海外Wi-Fiレンタル
※ 高速バス夜行バス	※ レンタカー	※ ファイナルコール(直前割)	※ 海外まとめ記事
※ 日帰りバスツアー	※ ファイナルコール(直前割)	国内まとめ記事	

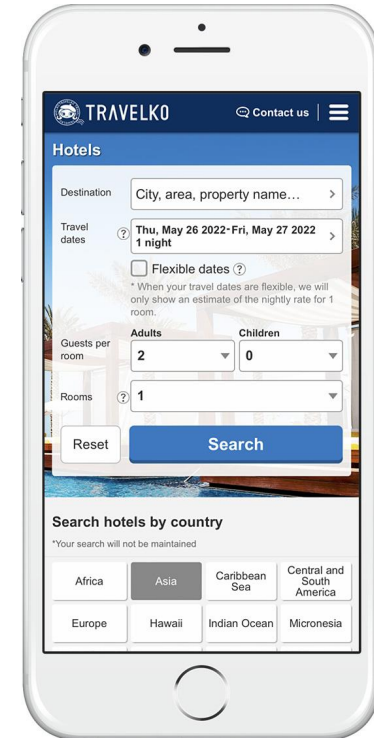
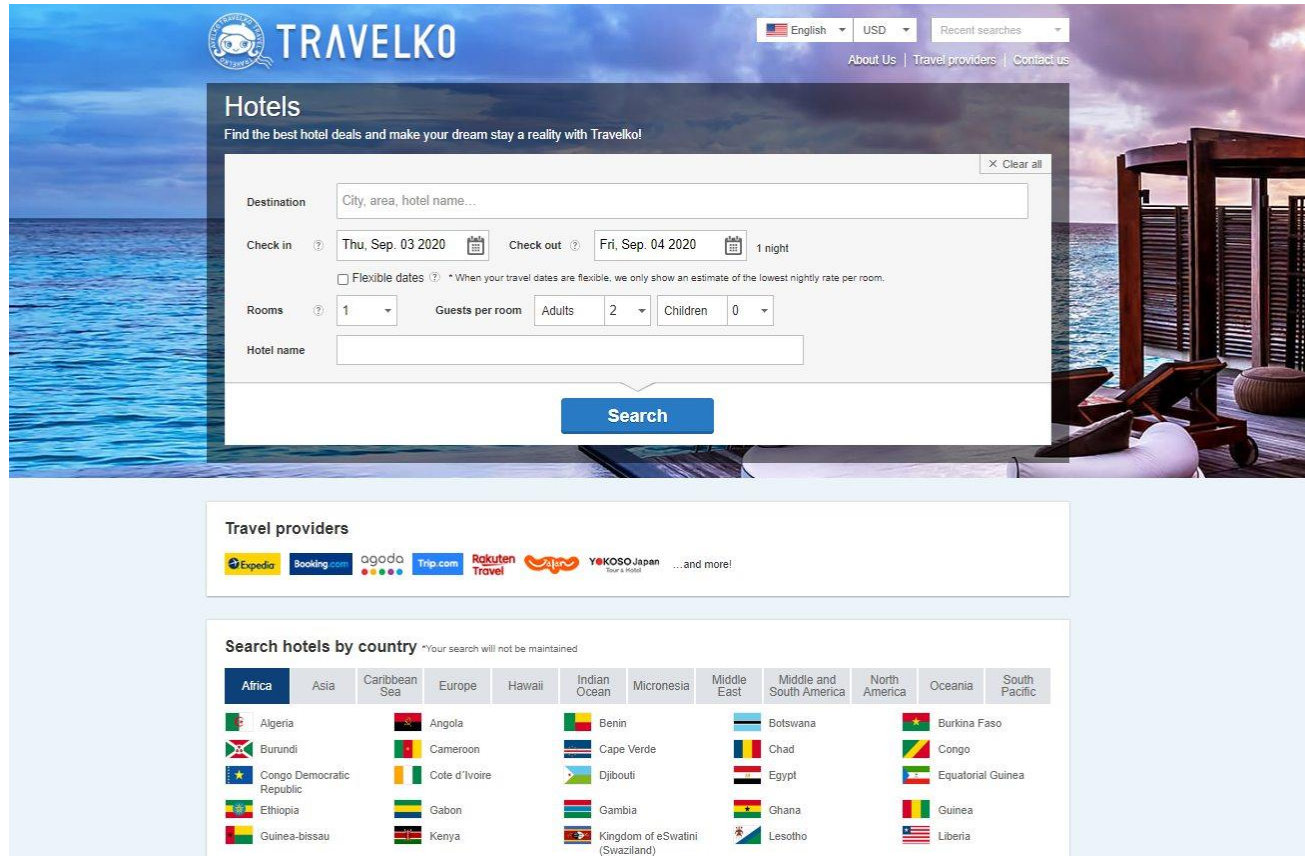
旅行関連記事を見る

秋に行きたい人気海外旅行地をランキングでご紹介!

全国の紅葉名所【2022】見頃&ラ



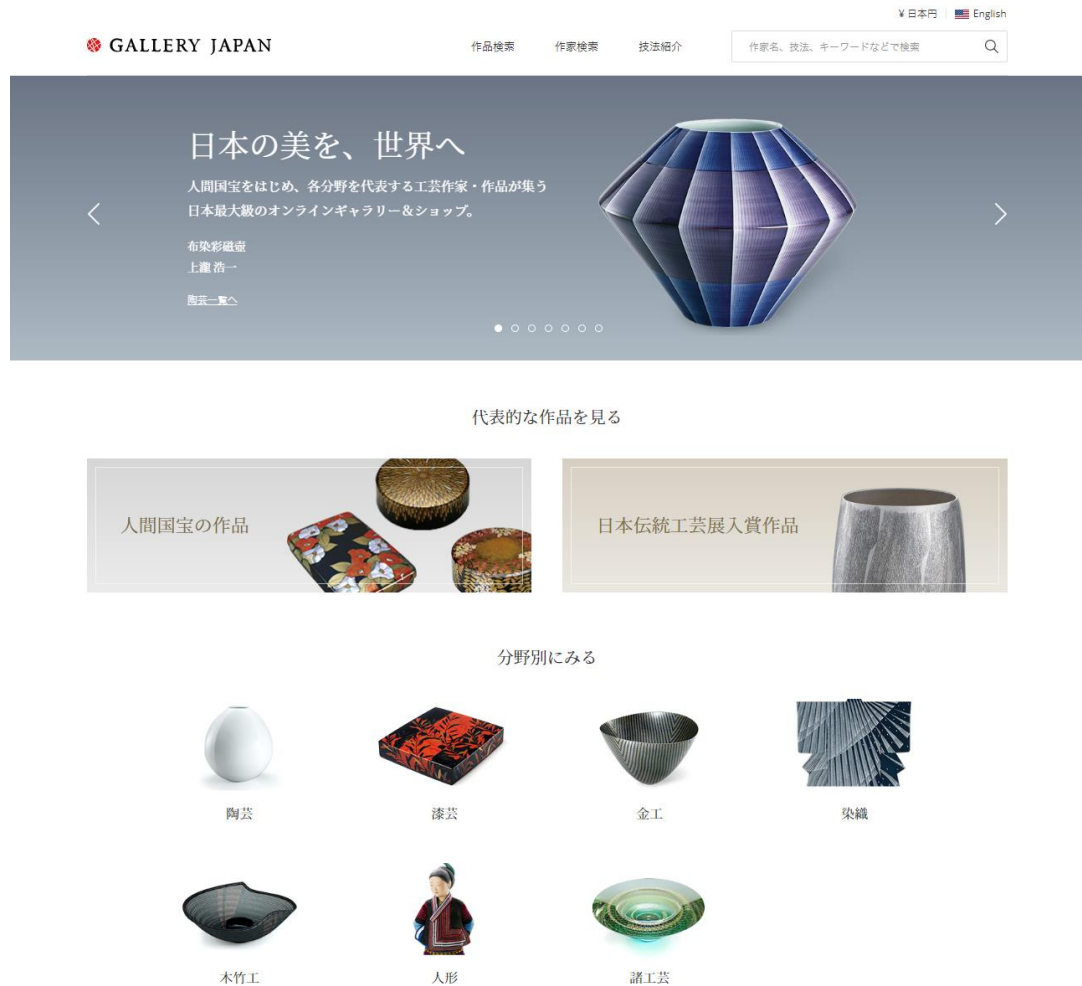
The global version of TRAVELKO, targeted at overseas and inbound markets.



Supported languages

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

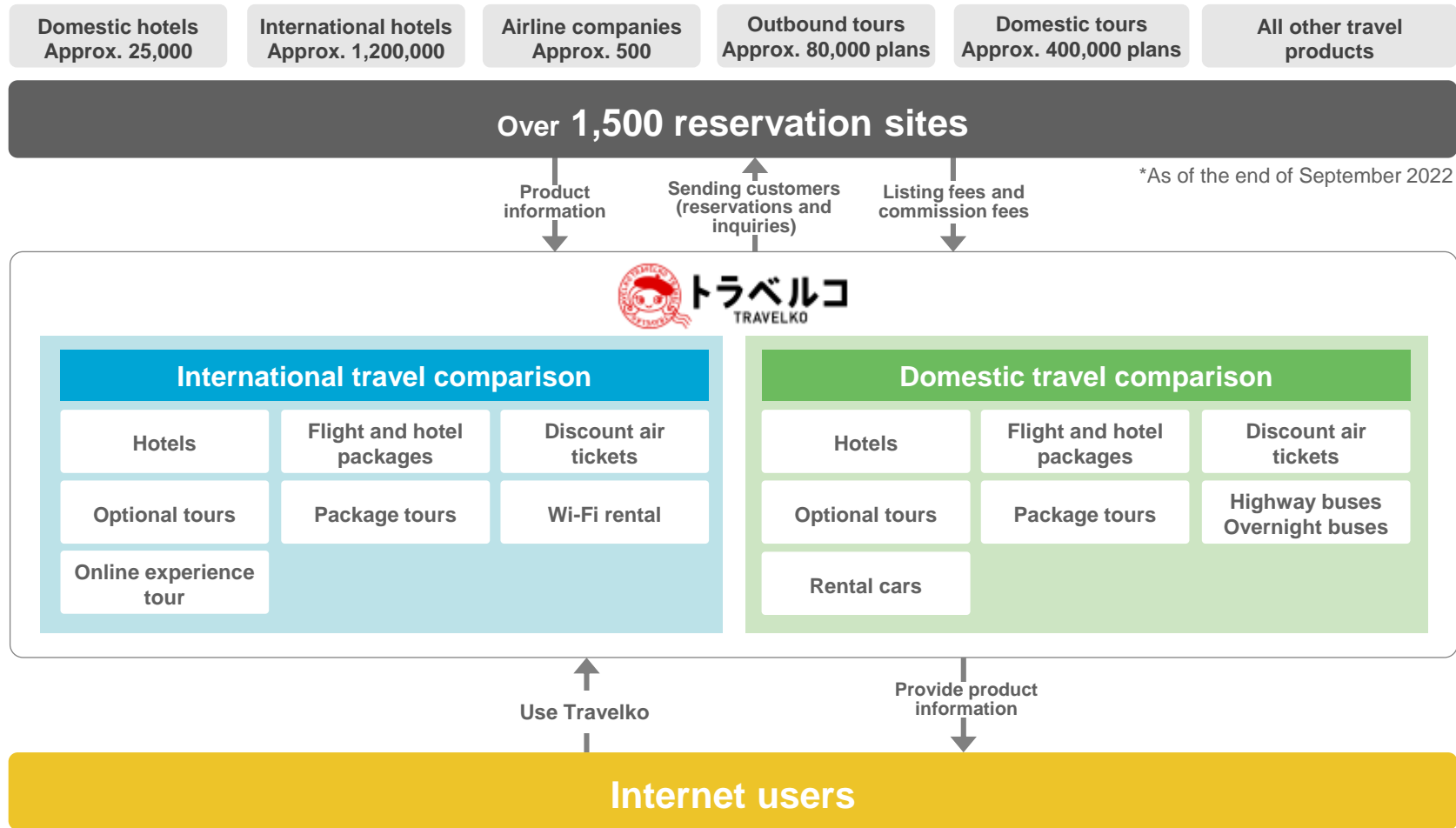
A site targeted at overseas and inbound markets, which introduces traditional crafts of Japan to the rest of the world



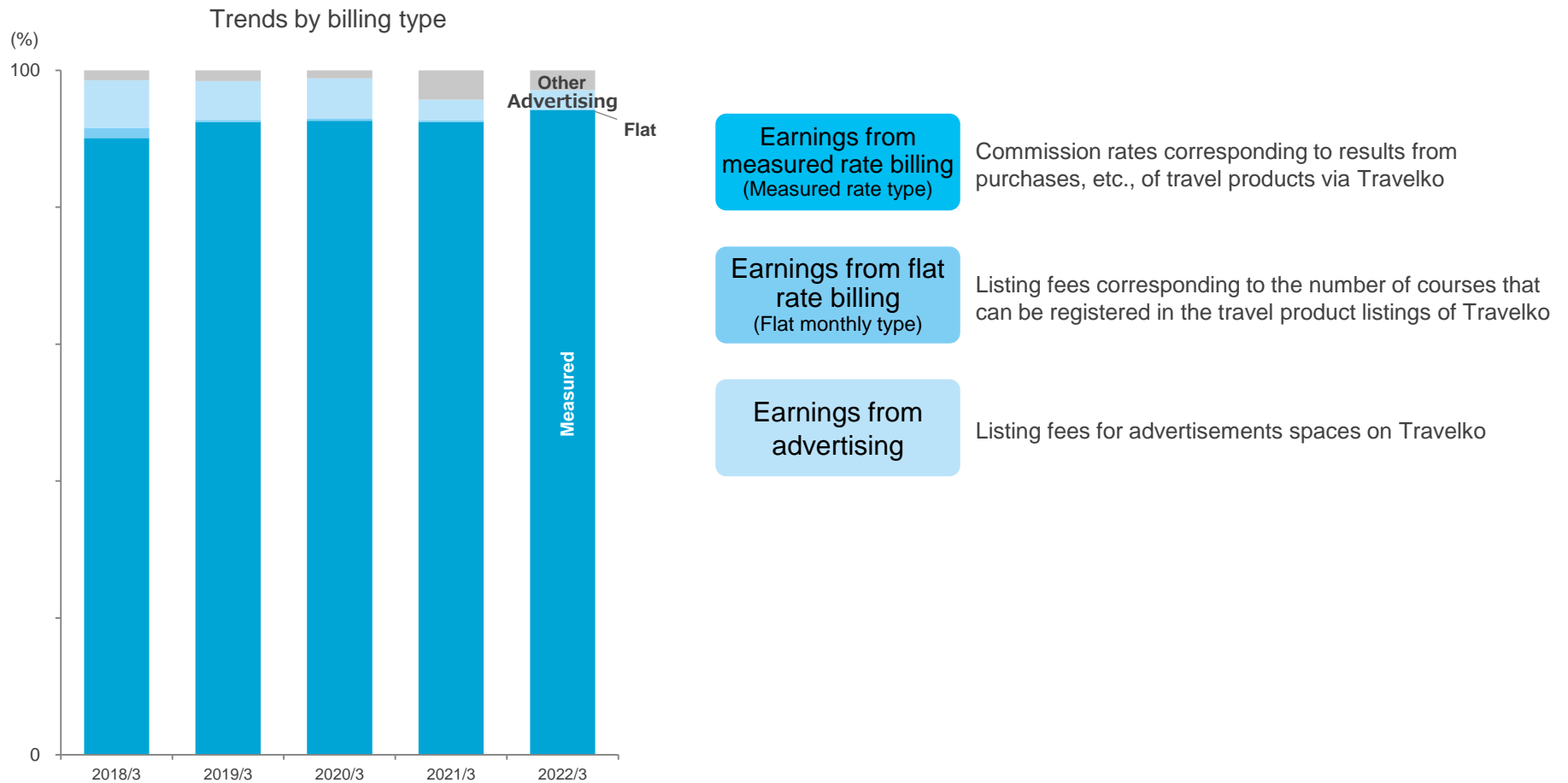
Supported languages

English  
Japanese

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

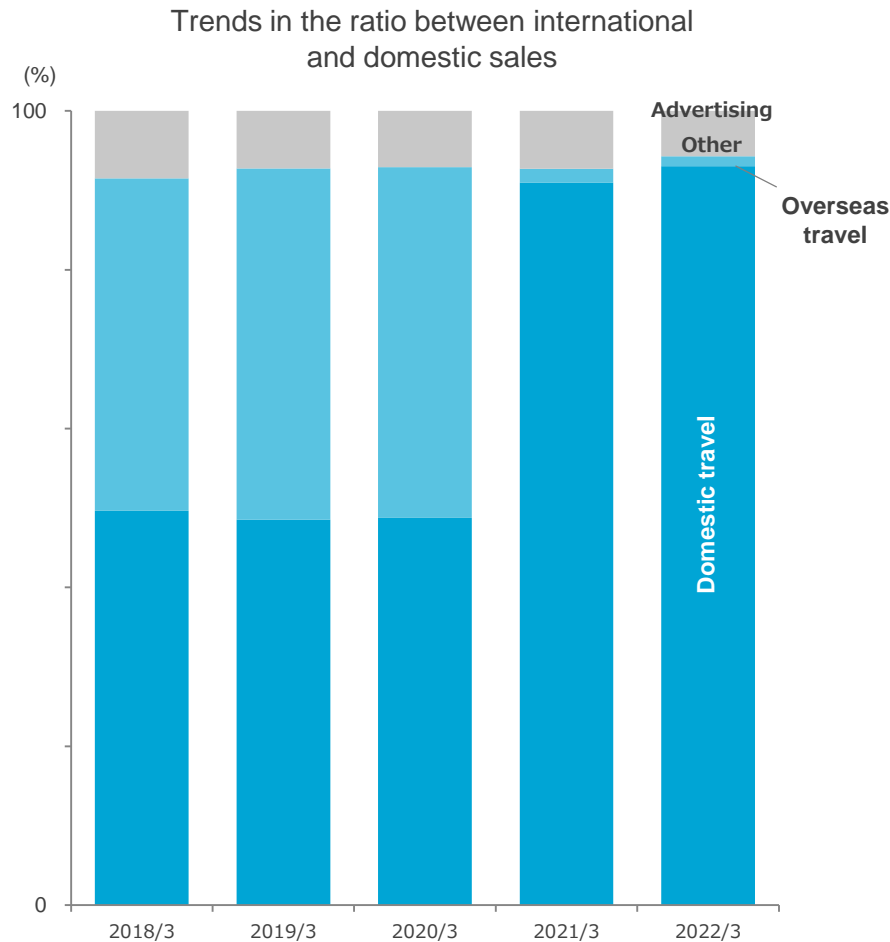


The main revenue model is earnings from measured rate billing of a measured rate type



# Travelko / Trends in the Ratio Between International and Domestic Sales

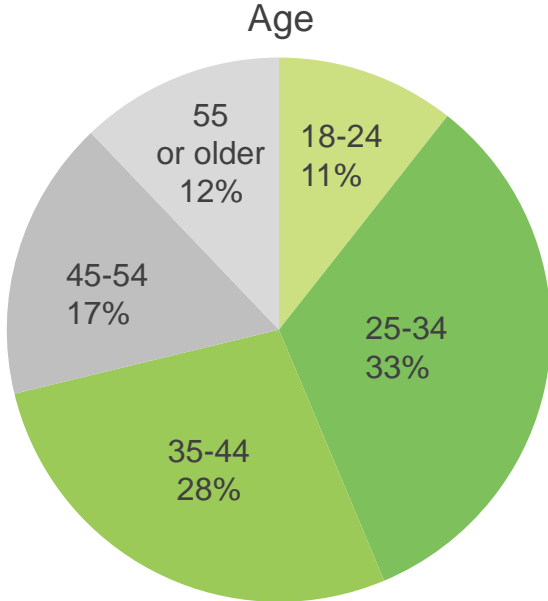
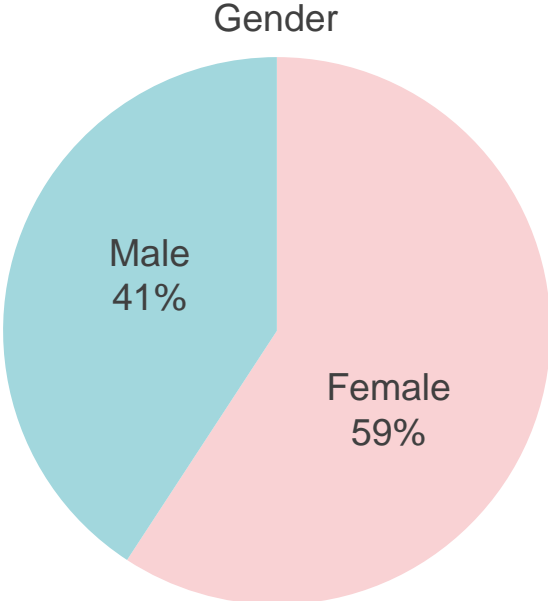
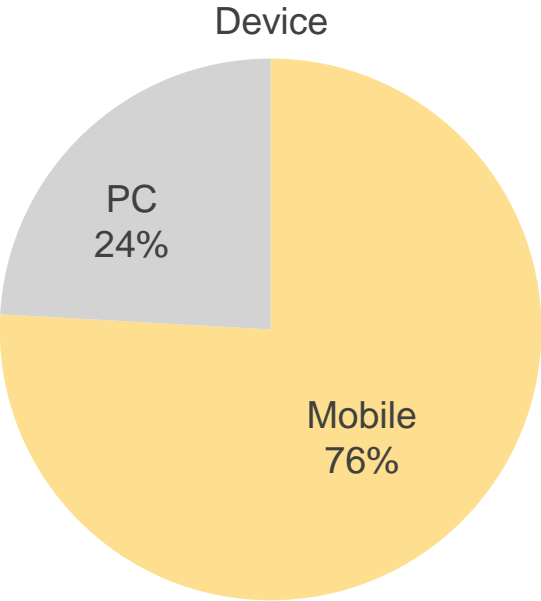
Domestic travel accounts for most of the sales of the previous year due to the impact of COVID-19



**The proportion of sales fluctuated significantly due to the continued restrictions on overseas travel caused by the spread of COVID-19 worldwide**

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

User attributes\*<sub>1</sub>



\*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

Whereas 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. These include 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 Electric Railway,  
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

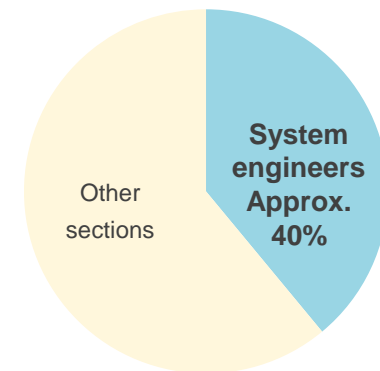
Advanced, large-scale system development is essential to covering this many travel products, linking more than 1,500 travel sites, and improving all of these products simultaneously.

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.

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

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