

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

November 10, 2023

Company name: OpenDoor Inc.
 Stock exchange listing: Tokyo
 Stock code: 3926 URL <https://www.opendoor.co.jp/>
 Representative: President and CEO Daisuke Sekine
 Inquiries: CFO Hideaki Suzuki TEL 03-5545-7215
 Scheduled date to file Quarterly Securities Report: November 10, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	1,403	45.4	131	–	136	–	73	–
Six months ended September 30, 2022	964	82.2	(40)	–	(9)	–	(23)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	2.37		2.37	
Six months ended September 30, 2022	(0.76)		–	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2023	5,835		5,226		89.3	
As of March 31, 2023	6,403		5,668		88.3	

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	0.00	–	0.00	0.00
Year ending March 31, 2024	–	0.00			
Year ending March 31, 2024 (Forecast)			–	0.00	0.00

3. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023	31,260,000 shares	As of March 31, 2023	31,260,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	246,430 shares	As of March 31, 2023	246,430 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	31,013,570 shares	Six months ended September 30, 2022	31,013,570 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	2,987,525	3,010,520
Accounts receivable trade and contract assets	356,964	481,005
Other	75,536	105,237
Allowance for doubtful accounts	(245)	(233)
Total current assets	3,419,780	3,596,529
Non-current assets		
Property, plant and equipment	49,765	47,697
Intangible assets	527	1,948
Investments and other assets		
Investment securities	2,628,100	1,881,900
Other	305,112	307,773
Total investments and other assets	2,933,212	2,189,673
Total non-current assets	2,983,505	2,239,319
Total assets	6,403,286	5,835,848
Liabilities		
Current liabilities		
Accounts payable - trade	80,974	133,359
Income taxes payable	56,824	75,528
Other	211,104	243,373
Total current liabilities	348,902	452,261
Non-current liabilities		
Deferred tax liabilities	342,856	114,425
Asset retirement obligations	40,400	40,400
Other	2,200	2,200
Total non-current liabilities	385,456	157,025
Total liabilities	734,358	609,286
Net assets		
Shareholders' equity		
Share capital	648,292	648,292
Capital surplus	473,388	473,388
Retained earnings	3,776,623	3,850,163
Treasury shares	(17,610)	(17,610)
Total shareholders' equity	4,880,693	4,954,233
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	776,570	258,856
Total accumulated other comprehensive income	776,570	258,856
Share acquisition rights	11,663	13,472
Total net assets	5,668,927	5,226,562
Total liabilities and net assets	6,403,286	5,835,848

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	964,838	1,403,068
Cost of sales	372,672	456,468
Gross profit	592,165	946,600
Selling, general and administrative expenses	633,132	815,281
Operating profit (loss)	(40,966)	131,318
Non-operating income		
Gain on sale of investment securities	84	-
Foreign exchange gains	631	763
Subsidy income	30,461	4,706
Other	3	23
Total non-operating income	31,179	5,493
Ordinary profit (loss)	(9,786)	136,811
Profit (loss) before income taxes	(9,786)	136,811
Income taxes - current	13,746	63,216
Income taxes - deferred	35	55
Total income taxes	13,782	63,271
Profit (loss)	(23,569)	73,539
Profit (loss) attributable to owners of parent	(23,569)	73,539

Consolidated statements of comprehensive income (cumulative)

	(Thousands of yen)	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit (loss)	(23,569)	73,539
Other comprehensive income		
Valuation difference on available-for-sale securities	493,928	(517,713)
Total other comprehensive income	493,928	(517,713)
Comprehensive income	470,359	(444,173)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	470,359	(444,173)

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit (loss) before income taxes	(9,786)	136,811
Depreciation	18,287	11,636
Increase (decrease) in allowance for doubtful accounts	4	(11)
Interest and dividend income	(0)	(0)
Subsidy income	(30,461)	(4,706)
Foreign exchange losses (gains)	(115)	(164)
Loss (gain) on sale of investment securities	(84)	–
Decrease (increase) in trade receivables	(99,003)	(124,041)
Increase (decrease) in trade payables	46,461	52,384
Other, net	16,763	2,901
Subtotal	(57,934)	74,809
Interest and dividends received	0	0
Subsidies received	30,461	4,706
Income taxes paid	(3,945)	(42,942)
Income taxes refund	23	0
Net cash provided by (used in) operating activities	(31,394)	36,574
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,982)	(9,389)
Purchase of intangible assets	–	(1,600)
Proceeds from sale of investment securities	538	–
Other, net	(2,589)	(2,589)
Net cash provided by (used in) investing activities	(12,034)	(13,579)
Cash flows from financing activities		
Net cash provided by (used in) financing activities	–	–
Net increase (decrease) in cash and cash equivalents	(43,429)	22,994
Cash and cash equivalents at beginning of period	3,018,844	2,987,525
Cash and cash equivalents at end of period	2,975,414	3,010,520