

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 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 of ordinary general meeting of shareholders: June 23, 2023
 Scheduled date to file Securities Report: June 26, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

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	%
Year ended March 31, 2023	2,055	71.1	(52)	–	(1)	–	(44)	–
Year ended March 31, 2022	1,201	7.0	(653)	–	(541)	–	(544)	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	(1.44)	–	(0.8)	(0.0)	(2.5)
Year ended March 31, 2022	(17.57)	–	(9.7)	(9.0)	(54.4)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	6,403	5,668	88.3	182.41
As of March 31, 2022	5,368	5,087	94.6	163.71

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	(7)	(23)	–	2,987
Year ended March 31, 2022	117	(17)	(0)	3,018

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	–	0.00	–	0.00	0.00	–	–	–
Year ended March 31, 2023	–	0.00	–	0.00	0.00	–	–	–
Year ending March 31, 2024 (Forecast)	–	0.00	–	0.00	0.00	–	–	–

3. Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 2023
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2023	31,260,000 shares	As of March 31, 2022	31,260,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	246,430 shares	As of March 31, 2022	246,430 shares
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Average number of shares during the period

Year ended March 31, 2023	31,013,570 shares	Year ended March 31, 2022	31,013,588 shares
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Consolidated financial statements
Consolidated balance sheets

	(Thousands of yen)	
	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	3,018,844	2,987,525
Accounts receivable trade and contract assets	193,215	356,964
Other	62,084	75,536
Allowance for doubtful accounts	(47)	(245)
Total current assets	<u>3,274,096</u>	<u>3,419,780</u>
Non-current assets		
Property, plant and equipment		
Buildings, net	6,217	518
Tools, furniture and fixtures, net	65,891	49,247
Total property, plant and equipment	<u>72,109</u>	<u>49,765</u>
Intangible assets	<u>1,241</u>	<u>527</u>
Investments and other assets		
Investment securities	1,728,045	2,628,100
Other	292,848	305,112
Total investments and other assets	<u>2,020,893</u>	<u>2,933,212</u>
Total non-current assets	<u>2,094,244</u>	<u>2,983,505</u>
Total assets	<u>5,368,341</u>	<u>6,403,286</u>

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	14,839	80,974
Income taxes payable	11,776	56,824
Other	144,666	211,104
Total current liabilities	171,281	348,902
Non-current liabilities		
Deferred tax liabilities	67,094	342,856
Asset retirement obligations	40,400	40,400
Other	2,200	2,200
Total non-current liabilities	109,694	385,456
Total liabilities	280,975	734,358
Net assets		
Shareholders' equity		
Share capital	648,292	648,292
Capital surplus	473,388	473,388
Retained earnings	3,821,283	3,776,623
Treasury shares	(17,610)	(17,610)
Total shareholders' equity	4,925,352	4,880,693
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	151,791	776,570
Total accumulated other comprehensive income	151,791	776,570
Share acquisition rights	10,221	11,663
Total net assets	5,087,365	5,668,927
Total liabilities and net assets	5,368,341	6,403,286

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

	(Thousands of yen)	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	1,201,541	2,055,457
Cost of sales	662,134	833,153
Gross profit	539,406	1,222,304
Selling, general and administrative expenses	1,193,008	1,274,412
Operating loss	(653,602)	(52,108)
Non-operating income		
Interest income	5	0
Dividend income	150	-
Gain on sale of investment securities	-	84
Foreign exchange gains	237	270
Dividend income of insurance	0	697
Subsidy income	109,052	45,625
Other	2,721	3,734
Total non-operating income	112,167	50,412
Ordinary loss	(541,434)	(1,695)
Loss before income taxes	(541,434)	(1,695)
Income taxes - current	3,945	42,939
Income taxes - deferred	(578)	23
Total income taxes	3,366	42,963
Loss	(544,801)	(44,659)
Loss attributable to owners of parent	(544,801)	(44,659)

Consolidated statements of comprehensive income

	(Thousands of yen)	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Loss	(544,801)	(44,659)
Other comprehensive income		
Valuation difference on available-for-sale securities	(582,819)	624,779
Total other comprehensive income	(582,819)	624,779
Comprehensive income	(1,127,621)	580,119
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,127,621)	580,119

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	648,292	473,388	4,366,084	(17,445)	5,470,319
Changes during period					
Loss attributable to owners of parent			(544,801)		(544,801)
Purchase of treasury shares				(165)	(165)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(544,801)	(165)	(544,967)
Balance at end of period	648,292	473,388	3,821,283	(17,610)	4,925,352

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	734,611	734,611	5,306	6,210,237
Changes during period				
Loss attributable to owners of parent				(544,801)
Purchase of treasury shares				(165)
Net changes in items other than shareholders' equity	(582,819)	(582,819)	4,914	(577,904)
Total changes during period	(582,819)	(582,819)	4,914	(1,122,871)
Balance at end of period	151,791	151,791	10,221	5,087,365

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	648,292	473,388	3,821,283	(17,610)	4,925,352
Changes during period					
Loss attributable to owners of parent			(44,659)		(44,659)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(44,659)	–	(44,659)
Balance at end of period	648,292	473,388	3,776,623	(17,610)	4,880,693

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	151,791	151,791	10,221	5,087,365
Changes during period				
Loss attributable to owners of parent				(44,659)
Net changes in items other than shareholders' equity	624,779	624,779	1,442	626,221
Total changes during period	624,779	624,779	1,442	581,562
Balance at end of period	776,570	776,570	11,663	5,668,927

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Loss before income taxes	(541,434)	(1,695)
Depreciation	70,465	37,614
Increase (decrease) in allowance for doubtful accounts	(54)	197
Interest and dividend income	(155)	(0)
Dividend income of insurance	(0)	(697)
Subsidy income	(109,052)	(45,625)
Foreign exchange losses (gains)	(102)	(78)
Loss (gain) on sale of investment securities	–	(84)
Decrease (increase) in trade receivables	(35,914)	(163,748)
Increase (decrease) in trade payables	7,604	66,135
Other, net	164,677	58,949
Subtotal	(443,967)	(49,033)
Interest and dividends received	155	0
Subsidies received	109,052	45,625
Income taxes paid	(107)	(3,945)
Income taxes refund	452,598	23
Net cash provided by (used in) operating activities	117,731	(7,329)
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,219)	(14,557)
Payments for asset retirement obligations	(958)	–
Proceeds from sale of investment securities	–	538
Proceeds from refund of leasehold and guarantee deposits	10,047	–
Other, net	(9,970)	(9,970)
Net cash provided by (used in) investing activities	(17,101)	(23,989)
Cash flows from financing activities		
Purchase of treasury shares	(165)	–
Net cash provided by (used in) financing activities	(165)	–
Net increase (decrease) in cash and cash equivalents	100,464	(31,318)
Cash and cash equivalents at beginning of period	2,918,379	3,018,844
Cash and cash equivalents at end of period	3,018,844	2,987,525