

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 11, 2022

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, 2022
 Scheduled date to file Securities Report: June 24, 2022
 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, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	1,201	7.0	(653)	–	(541)	–	(544)	–
Year ended March 31, 2021	1,122	(77.3)	(772)	–	(708)	–	(652)	–

	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, 2022	(17.57)	–	(9.7)	(9.0)	(54.4)
Year ended March 31, 2021	(21.03)	–	(10.6)	(10.5)	(68.8)

(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, 2022	5,368	5,087	94.6	163.71
As of March 31, 2021	6,696	6,210	92.7	200.07

(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, 2022	117	(17)	(0)	3,018
Year ended March 31, 2021	(1,154)	(1,578)	–	2,918

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, 2021	–	0.00	–	0.00	0.00	–	–	–
Year ended March 31, 2022	–	0.00	–	0.00	0.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	0.00	–	0.00	0.00		–	

3. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022
(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, 2022	31,260,000 shares	As of March 31, 2021	31,260,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	246,430 shares	As of March 31, 2021	246,363 shares
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Average number of shares during the period

Year ended March 31, 2022	31,013,588 shares	Year ended March 31, 2021	31,013,637 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	2,918,379	3,018,844
Accounts receivable trade and contract assets	157,300	193,215
Income taxes refund receivable	461,626	23
Other	169,460	62,061
Allowance for doubtful accounts	(101)	(47)
Total current assets	3,706,665	3,274,096
Non-current assets		
Property, plant and equipment		
Buildings, net	33,986	6,217
Tools, furniture and fixtures, net	90,408	65,891
Total property, plant and equipment	124,394	72,109
Intangible assets	3,202	1,241
Investments and other assets		
Investment securities	2,568,085	1,728,045
Other	293,727	292,848
Total investments and other assets	2,861,812	2,020,893
Total non-current assets	2,989,409	2,094,244
Total assets	6,696,074	5,368,341

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	7,234	14,839
Other	110,199	156,442
Total current liabilities	117,433	171,281
Non-current liabilities		
Deferred tax liabilities	324,892	67,094
Asset retirement obligations	40,400	40,400
Other	3,110	2,200
Total non-current liabilities	368,403	109,694
Total liabilities	485,837	280,975
Net assets		
Shareholders' equity		
Share capital	648,292	648,292
Capital surplus	473,388	473,388
Retained earnings	4,366,084	3,821,283
Treasury shares	(17,445)	(17,610)
Total shareholders' equity	5,470,319	4,925,352
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	734,611	151,791
Total accumulated other comprehensive income	734,611	151,791
Share acquisition rights	5,306	10,221
Total net assets	6,210,237	5,087,365
Total liabilities and net assets	6,696,074	5,368,341

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

	(Thousands of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	1,122,453	1,201,541
Cost of sales	647,415	662,134
Gross profit	475,037	539,406
Selling, general and administrative expenses	1,247,151	1,193,008
Operating loss	(772,113)	(653,602)
Non-operating income		
Interest income	0	5
Dividend income	–	150
Foreign exchange gains	33	237
Dividend income of insurance	1,196	0
Subsidy income	61,967	109,052
Other	193	2,721
Total non-operating income	63,391	112,167
Ordinary loss	(708,722)	(541,434)
Loss before income taxes	(708,722)	(541,434)
Income taxes - current	6,784	3,945
Income taxes - refund	(207,591)	–
Income taxes - deferred	144,246	(578)
Total income taxes	(56,561)	3,366
Loss	(652,160)	(544,801)
Loss attributable to owners of parent	(652,160)	(544,801)

Consolidated statements of comprehensive income

	(Thousands of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Loss	(652,160)	(544,801)
Other comprehensive income		
Valuation difference on available-for-sale securities	733,096	(582,819)
Total other comprehensive income	733,096	(582,819)
Comprehensive income	80,935	(1,127,621)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	80,935	(1,127,621)

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(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	5,018,245	(17,445)	6,122,480
Changes during period					
Loss attributable to owners of parent			(652,160)		(652,160)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(652,160)	–	(652,160)
Balance at end of period	648,292	473,388	4,366,084	(17,445)	5,470,319

	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	1,514	1,514	–	6,123,995
Changes during period				
Loss attributable to owners of parent				(652,160)
Net changes in items other than shareholders' equity	733,096	733,096	5,306	738,403
Total changes during period	733,096	733,096	5,306	86,242
Balance at end of period	734,611	734,611	5,306	6,210,237

	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

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Loss before income taxes	(708,722)	(541,434)
Depreciation	65,107	70,465
Increase (decrease) in allowance for doubtful accounts	(254)	(54)
Increase (decrease) in provision for shareholder benefit program	(17,829)	–
Interest and dividend income	(0)	(155)
Dividend income of insurance	(1,196)	(0)
Subsidy income	(61,967)	(109,052)
Foreign exchange losses (gains)	(103)	(102)
Decrease (increase) in trade receivables	245,413	(35,914)
Increase (decrease) in trade payables	(36,065)	7,604
Other, net	(211,528)	164,677
Subtotal	(727,147)	(443,967)
Interest and dividends received	0	155
Subsidies received	61,967	109,052
Income taxes paid	(489,043)	(107)
Income taxes refund	–	452,598
Net cash provided by (used in) operating activities	(1,154,221)	117,731
Cash flows from investing activities		
Purchase of property, plant and equipment	(58,096)	(16,219)
Purchase of investment securities	(1,508,800)	–
Payments for asset retirement obligations	–	(958)
Payments of leasehold and guarantee deposits	(1,200)	–
Proceeds from refund of leasehold and guarantee deposits	–	10,047
Other, net	(9,970)	(9,970)
Net cash provided by (used in) investing activities	(1,578,067)	(17,101)
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	(2,732,288)	100,464
Cash and cash equivalents at beginning of period	5,650,668	2,918,379
Cash and cash equivalents at end of period	2,918,379	3,018,844