

**Teleconference Overview of Results
for the Second Quarter of the Fiscal Year Ending March 31, 2022
Questions & Answers**

Date:	Thursday, October 28, 2021
Presenters:	Kenji Yoshida, Representative Director, President and COO Yuichi Katayama, Executive Director and Executive Vice President Officer
Moderator:	Umi Sugawara, IR Group Manager

The following outlines the Questions & Answers at the teleconference:

- Q1) What are your views about Theme Park attendance during the second half-year and going forward?
- A1) In formulating our results forecast for the second half-year, we had presumed Theme Park attendance would be limited to a maximum of 10,000 per day at each Park until the end of November and that the limit would then be increased in phases from December. Therefore, the removal of the mitigation measure that had been planned to be kept in place until the end of November will be an upside for us. Meanwhile, it will be a downside if a sixth wave of the COVID-19 pandemic arrives and a state of emergency is issued as a result. It remains to be seen when the pandemic-related restrictions will be removed, but the balance between Theme Park attendance and unit price after the removal is being examined on a long-term sustainable basis with an eye to the future after the recovery from the pandemic. A certain level of Theme Park attendance is necessary from the viewpoint of profitability, but it is also important to enhance the Guest experience if we are to achieve long-term growth. We are discussing our future direction in consideration of Guests' experience value, profitability, operational efficiency, and resilience against changes in the external environment, among other factors. It is indeed true that a high degree of crowdedness was felt depending on the season and day of the week in the pre-pandemic days, and we hope to rectify this situation. We will aim to provide even greater experience value, hopefully raising the unit price and attracting Guests on a long-term sustainable basis.
- Q2) Could you tell us again what operational restrictions are imposed under the Amusement Park and Theme Park New Coronavirus Infection Containment Guidelines as revised in October 5, 2021? How are you interacting with government agencies and local governments with regard to the guidelines?
- A2) We are working on the assumption that we will raise Theme Park attendance limits in accordance with the guidelines. However, compliance with the one-meter social distancing rule forces us to limit Theme Park attendance, so we do not intend to impose stricter restrictions than those proposed in the guidelines. We do not have the sole discretion to

mitigate or remove restrictions in the guidelines, but we do engage in discussions with the Ministry of Economy, Trade and Industry and exchange views with them.

- Q3) What is your approach to variable ticket pricing and how should its effect be interpreted?
- A3) Formerly, we had decided on ticket prices by comprehensively analyzing the increase in our Theme Park experience value and the results of the price sensitivity survey. In March 2021, we introduced a two-tiered variable pricing system and incorporated Guests' demand trends into our analysis for setting ticket prices in addition to our existing analysis factors. In October 2021, we shifted to four-tiered pricing. We will continue examining the range and compositional balance of ticket prices and aim at further enhancing Guests' comfort.
- Q4) Is there room for improvement in net sales per Guest?
- A4) The net sales per Guest increased year on year for the first half-year, but this was partly attributable to temporary factors resulting from the special Park environment where Theme Park attendance is limited. We expect net sales per Guest to decrease as limits are eased. We hope to offer high experience value and generate earnings from Guests' experience to raise net sales per Guest on the whole. We believe the key is to work on increasing the unit price not only at our Parks, but also across the entire resort including hotels.
- Q5) Will you charge fees for Disney FASTPASS? Are there any inhibiting factors?
- A5) We are exploring ways to turn the Guest experience into new sources of earnings. We will continue considering the timing and form of introducing a fee-based Disney FASTPASS.
- Q6) Are you considering when to start selling Annual Passports and discount tickets?
- A6) We will discuss our plans for Annual Passports and discount tickets by taking into consideration the internal and external environments.
- Q7) I understand that the capital expenditure for the full fiscal year is budgeted at ¥115.2 billion. Why did this decrease from the ¥130.0 billion level announced earlier at the presentation of results for the fiscal year ended March 2021? Has your strategy for future capital expenditure changed?
- A7) Upon announcing the results for the previous fiscal year, we disclosed the approximate estimate as a reference. After a more detailed examination, the figure decreased. Major factors behind the decrease include deferred payment for Fantasy Springs and the Tokyo Disneyland Large-Scale Development and the postponement of the introduction of "Believe! Sea of Dreams." We are currently exploring our strategy for future capital expenditures.
- Q8) Could you tell us about your plans for new businesses?
- A8) We are aiming to create new businesses by focusing on resolving issues and enhancing value in our core business. We cannot expect to produce an immediate outcome, so we are taking our time to formulate our plans. Oriental Land Innovations has invested in four start-up companies to acquire in-depth knowledge in multiple fields in an effort to create new businesses. In addition, we established the Project Development Department directly

under the Representative Director, President and COO in June 2021 to conduct investigation, research and planning on new businesses.

- Q9) I presume that the current Park environment amid the COVID-19 pandemic differs from the environment aimed for in the future. Do you still think it's viable to formulate the next Medium-term Plan based on the current General Satisfaction Measurement?
- A9) The research we conduct in formulating the next Medium-term Plan not only covers the latest survey results, but also the outcomes of research that has been ongoing since before the pandemic, allowing us to formulate the plan from a comprehensive perspective.

Warning

The above is an outline of our views based on the question-and-answer session held at our Teleconference of Overview of Results and we do not guarantee or assure the accuracy or completeness of the information provided. The above information is also subject to change without prior notice going forward.

Furthermore, forward-looking statements including our forecast of financial results are based on our perspectives and information available as of the day of the announcement. As the Group's business is susceptible to Guests' preferences and social and economic circumstances, the forecasts and outlooks described above do contain uncertainties.