



# Oriental Land Co., Ltd.

Tokyo Stock Exchange, First Section  
Securities Code: 4661

## Results for the Fiscal Year Ended March 31, 2008

May 9, 2008

This presentation contains various estimates and projections. Oriental Land's operations are sensitive to influences including, but not limited to, consumer preferences, social conditions and economic developments. As a result, estimates and projections in this presentation are uncertain.



### Contents

#### 1. Overview of Results for the Fiscal Year Ended March 31, 2008

- ◆ Fiscal Year Results (vs. Previous FY)
- ◆ Theme Park Segment
- ◆ Retail Business Segment
- ◆ Commercial Facilities Segment / Other Business Segment
- ◆ Ordinary Income / Net Income
- ◆ Fiscal Year Results (vs. Forecast)
- ◆ Summary

#### 2. Forecast of Results for the Fiscal Year Ending March 31, 2009

- ◆ Segment Changes
- ◆ Forecast for FY Ending 3/09 (vs. Previous FY)
- ◆ Theme Park Segment
- ◆ Hotel Business Segment
- ◆ Retail Business Segment
- ◆ Other Business Segment
- ◆ Ordinary Income / Net Income
- ◆ Increase in Free Cash Flow
- ◆ Summary

#### 3. Progress of Medium-Term Plan Innovate OLC 2010

- ◆ Overview of Medium-Term Plan
- ◆ I. Further Strengthen the Core Business for Earnings Growth
- ◆ II. Establish the Foundation for New Growth
- ◆ III. Increase the Value of the OLC Group



# 1. Overview of Results for the Fiscal Year Ended March 31, 2008

Akio Nagaoka  
Representative Director, Executive Vice President

## Fiscal Year Results (vs. Previous FY)

1. Overview of Results for the Fiscal Year Ended March 31, 2008

### Consolidated Statements of Income

	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change (%)
Revenues	344.0	342.4	(1.6)	(0.5)
Theme Park Segment	289.1	286.8	(2.3)	(0.8)
Commercial Facilities Segment	23.1	23.2	0.1	0.4
Retail Business Segment	17.8	16.9	(0.9)	(5.3)
Other Business Segment	13.8	15.3	1.4	10.8
Operating Income	34.1	31.1	(2.9)	(8.7)
Theme Park Segment	31.4	28.1	(3.2)	(10.5)
Commercial Facilities Segment	1.0	1.1	0.1	11.1
Retail Business Segment	(1.0)	(0.3)	0.7	-
Other Business Segment	2.3	1.6	(0.6)	(28.8)
Ordinary Income	30.1	27.5	(2.6)	(8.9)
Extraordinary Income	0.1	0.0	(0.1)	(88.2)
Extraordinary Loss	1.5	2.0	0.5	36.6
Net Income	16.3	14.7	(1.5)	(9.7)

Decrease in revenues and income centered on the Theme Park Segment



## Theme Park Segment-①

1. Overview of Results for the Fiscal Year Ended March 31, 2008

Theme Park Segment	3/07 FY Results	3/08 FY Results	Change	Change
Revenues (¥ billion)	289.1	286.8	(2.3)	(0.8)%
Attendance (million people)	25.82	25.42	(0.39)	(1.5)%
Revenues per Guest (¥)	9,309	9,370	61	0.7%
Ticket Receipts	4,151	4,226	75	1.8%
Merchandise	3,144	3,096	(48)	(1.5)%
Food and Beverages	2,014	2,048	34	1.7%

### ■ Decrease in theme park attendance

- Decrease compared to record high of previous year of Tokyo DisneySea 5th Anniversary

3/08: Tokyo Disneyland: Renovated "Pirates of the Caribbean" attraction and conducted evening events  
Tokyo DisneySea: Full-year operation of "Tower of Terror"

- However, achieved annual attendance forecast (25.40 million)

### ■ Increase in revenues per guest: Increase due to ticket price revision (9/06)

### ■ Decrease in hotel\* revenues: Decrease in occupancy rate due to full renovation of guest rooms and other areas

\*Tokyo DisneySea Hotel MiraCosta

While revenues per guest increased, revenues decreased due to lower attendance

5



## Theme Park Segment-②

1. Overview of Results for the Fiscal Year Ended March 31, 2008

Theme Park Segment	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change (%)
Operating Income	31.4	28.1	(3.2)	(10.5)%

### ■ Decrease in operating income

- Decrease in operating income reflecting decrease in revenues
- Increase in fixed expenses
  - Increase in depreciation expense (¥(1.0) billion): increase (¥(1.7) billion) due to a 3/08 tax code revision (elimination of residual value and accelerated depreciation), etc.
  - Expenses preceding Tokyo Disney Resort 25th Anniversary (¥(1.0) billion)
  - Expenses for full renovation of hotel\* guest rooms and other areas (¥(0.7) billion)

\*Tokyo DisneySea Hotel MiraCosta

\*\* The above expenses occurred mainly in the fourth quarter.

Operating income decreased due to a decrease in revenues and an increase in fixed expenses

6



## Retail Business Segment

1. Overview of Results for the Fiscal Year Ended March 31, 2008

Retail Business Segment	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change
Revenues	17.8	16.9	(0.9)	(5.3)%
Operating Income	(1.0)	(0.3)	0.7	-

### ■ Decrease in revenues

- Decrease in number of customers
  - Effect of worsening consumer sentiment
  - Particular decrease in the Light User segment
  - However, number of members increased due to membership campaign
- Closed unprofitable stores
  - As of 3/07: 52 stores → As of 3/08: 53 stores

3/08 Disney Store openings and closings in the first and second half

	First half	Second half	Total
Store openings	1	3	4
Store closings	3	-	3

\*Note: One store relocated

### ■ Improvement in operating loss

- Effect of cost structure reforms initiated in the previous fiscal year (¥0.4 billion)  
(Store rent, distribution expenses, head office rent, personnel expenses, etc.)

Improvement in operating loss due to cost structure reforms

7



## Commercial Facilities Segment / Other Business Segment

1. Overview of Results for the Fiscal Year Ended March 31, 2008

Commercial Facilities Segment	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change
Revenues	23.1	23.2	0.1	0.4%
Operating Income	1.0	1.1	0.1	11.1%

### ■ Previous FY: Full renovation of hotel\* guest rooms and other areas, etc.

\*Disney Ambassador Hotel

Increased revenue and income from Disney Ambassador Hotel

Other Business Segment	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change
Revenues	13.8	15.3	1.4	10.8%
Operating Income	2.3	1.6	(0.6)	(28.8)%

### ■ Increase in revenues: increase due to movie-related revenues and opening food and beverage shops

### ■ Decrease in operating income:

- Preparation expenses before opening new facilities\* (¥(0.5) billion)
- Decrease in movie business (¥(0.5) billion), etc.

\*Tokyo Disneyland Hotel / Cirque du Soleil Theatre Tokyo

While revenues increased, higher expenses reduced operating income

8



## Ordinary Income / Net Income

1. Overview of Results for the Fiscal Year Ended March 31, 2008

	3/07 FY Results (¥ Billion)	3/08 FY Results (¥ Billion)	Change (¥ Billion)	Change (%)
Ordinary Income	30.1	27.5	(2.6)	(8.9)%
Net Income	16.3	14.7	(1.5)	(9.7)%

### Ordinary Income

- Increase in non-operating income (¥0.7 billion)
  - Increase in interest income, etc.
- Increase in non-operating expenses (¥(0.4) billion)
  - Increase due to issue of bonds, etc.
    - Issue of ninth series of bonds: ¥20.0 billion (1.70%), issue of tenth series of bonds: ¥10.0 billion (1.31%)

### Net Income

- Increase in extraordinary loss (¥(0.5) billion)
  - Impairment loss following decision to terminate operations at Camp Nepos (¥1.1 billion)
    - Decision in connection with revision of social contribution operations
  - Impairment loss and loss on doubtful receivables due to the bankruptcy of a contracting company for a hydroponic culture facility (¥0.7 billion)

Decrease in net income due to increase in extraordinary loss

9



## Fiscal Year Results (vs. Forecast)

1. Overview of Results for the Fiscal Year Ended March 31, 2008

Consolidated Statements of Income	FY ended 3/08 Revised Forecast (¥ Billion)*	FY ended 3/08 Results (¥ Billion)	Change (¥ Billion)	Change (%)
Revenues	344.4	342.4	(2.0)	(0.6)
Theme Park Segment	287.1	286.8	(0.3)	(0.1)
Commercial Facilities Segment	23.5	23.2	(0.3)	(1.3)
Retail Business Segment	17.7	16.9	(0.8)	(4.8)
Other Business Segment	15.9	15.3	(0.5)	(3.2)
Operating Income	31.9	31.1	(0.7)	(2.5)
Theme Park Segment	29.1	28.1	(0.9)	(3.2)
Commercial Facilities Segment	1.5	1.1	(0.3)	(25.2)
Retail Business Segment	(0.2)	(0.3)	(0.0)	-
Other Business Segment	1.3	1.6	0.3	27.2
Ordinary Income	27.8	27.5	(0.3)	(1.1)
Extraordinary Income	-	0.0	0.0	-
Extraordinary Loss	0.5	2.0	1.5	281.0
Net Income	16.2	14.7	(1.5)	(9.6)

\* Forecast revised upward in November 2007.

Decrease in revenues due to expenses preceding Tokyo Disney Resort 25th Anniversary and an increase in extraordinary loss

10



# Summary

1. Overview of Results for the Fiscal Year Ended March 31, 2008

## Fiscal Year Results (vs. Previous FY and Forecast)

### ■ vs. Previous FY

- Decrease in attendance (Previous FY: Tokyo DisneySea 5th Anniversary)
- Increase in depreciation expenses following a 3/08 tax code revision and preparation expenses for openings
- Increase in extraordinary loss

### ■ vs. Forecast

- Achieved annual attendance forecast (25.40 million)
- Expenses preceding Tokyo Disney Resort 25th Anniversary
- Increase in extraordinary loss

**Decrease in income vs. previous FY and forecast**



## 2. Forecast of Results for the Fiscal Year Ending March 31, 2009

### Segment Changes

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

#### Purpose of Segment Changes

- Changed segments to accompany the opening of Tokyo Disneyland Hotel and Cirque du Soleil Theatre Tokyo in FY ending 3/09

#### Content of New Segments (Main Facilities)

##### ■ Previous Segments

Theme Park
Commercial Facilities
Retail Business
Other Business



##### ■ New Segments

Theme Park	<ul style="list-style-type: none"> <li>•Tokyo Disneyland</li> <li>•Tokyo DisneySea</li> </ul>
Hotel Business	<ul style="list-style-type: none"> <li>•Tokyo Disneyland Hotel</li> <li>•Tokyo DisneySea Hotel MiraCosta</li> <li>•Disney Ambassador Hotel</li> <li>•Palm &amp; Fountain Terrace Hotel</li> </ul>
Retail Business	<ul style="list-style-type: none"> <li>•The Disney Store</li> </ul>
Other Business	<ul style="list-style-type: none"> <li>•IKSPIARI</li> <li>•Cirque du Soleil Theatre Tokyo</li> <li>•Disney Resort Line</li> </ul>

\*Red: Reclassified facilities

Segment changes in line with strengthening management structure of each business



## Forecast for FY Ending 3/09 (vs. Previous FY)

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Consolidated Statements of Income	FY ended 3/08 Results (¥ Billion)*	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change (%)
Revenues	342.4	364.2	21.8	6.4
Theme Park Segment	272.8	278.3	5.4	2.0
Hotel Business Segment	33.1	43.6	10.4	31.4
Retail Business Segment	16.9	17.6	0.7	4.3
Other Business Segment	19.4	24.6	5.1	26.6
Operating Income	31.1	28.4	(2.7)	(8.8)
Theme Park Segment	26.3	25.1	(1.2)	(4.6)
Hotel Business Segment	5.9	4.5	(1.3)	(23.4)
Retail Business Segment	(0.3)	0.0	0.3	-
Other Business Segment	(0.6)	(1.6)	(1.0)	-
Ordinary Income	27.5	26.6	(0.8)	(3.0)
Extraordinary Income	0.0	-	(0.0)	-
Extraordinary Loss	2.0	-	(2.0)	-
Net Income	14.7	16.2	1.4	10.1

\*Results for the year ended March 31, 2008 have been reclassified to reflect the change in segments.

**Increase in net income despite decrease in operating income**

14



## Theme Park Segment-①

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Theme Park Segment	FY ended 3/08 Results	FY ending 3/09 Forecast	Change	Change
Revenues (¥ billion)	272.8	278.3	5.4	2.0%
Attendance (million people)	25.42	25.80	0.38	1.5%
Revenues per Guest (¥)	9,370	9,380	10	0.1%
Ticket Receipts	4,226	4,220	(6)	(0.1)%
Merchandise	3,096	3,110	14	0.5%
Food and Beverages	2,048	2,050	2	0.1%

### ■ Increase in theme park attendance

- Increase due to Tokyo Disney Resort 25th Anniversary
  - Conduct a five-stage event beginning April 15 (4/15/08 ~ 4/14/09)
  - Conduct resort-wide commemorative events, not limited to Tokyo Disneyland

### ■ Increase in revenues per guest

- Increase in merchandise revenues due to sales of items for Tokyo Disney Resort 25th Anniversary

**Increase in revenues due to increase in theme park attendance and revenues per guest**

15



## Theme Park Segment-②

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Theme Park Segment	FY ended 3/08 Results (¥ Billion)	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change
Operating Income	26.3	25.1	(1.2)	(4.6)%

### ■ Decrease in operating income

- Increase in operating income due to increase in theme park attendance (about ¥2.5 billion)
- Increase in personnel expenses: increase in wages (about ¥(2.0) billion) for part-time employees due to an hourly wage revision (3/08)
- Increase in variable expenses: increase (about ¥(1.0) billion) due to rising raw material and energy expenses
- Increase in depreciation expenses: increase (about ¥(1.5) billion) due to 3/09 tax code revision (simplified classification)  
\*However, decrease in fixed expenses at theme parks, excluding depreciation expenses

Decrease in operating income due to increase in personnel expenses and increase in depreciation expenses following 3/09 tax code revision

16



## Hotel Business Segment

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Hotel Business Segment	FY ended 3/08 Results (¥ Billion)	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change
Revenues	33.1	43.6	10.4	31.4%
Operating Income	5.9	4.5	(1.3)	(23.4)%

### ■ Increase in revenues

- Increase due to opening of Tokyo Disneyland Hotel (July 8)

### ■ Decrease in operating income

- Decrease due to preparation expenses before opening of Tokyo Disneyland Hotel (about ¥2.0 billion)
  - Fixed expenses: furnishings, pre-opening promotion, training expenses, real estate acquisition tax, etc.

\* However, Tokyo Disneyland Hotel is forecast to be profitable from FY ending 3/09, excluding preparation expenses before opening

Increase in revenues and decrease in operating income due to opening of Tokyo Disneyland Hotel

17



# Retail Business Segment

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Retail Business Segment	FY ended 3/08 Results (¥ Billion)	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change
Revenues	16.9	17.6	0.7	4.3%
Operating Income	(0.3)	0.0	0.3	-

## ■ Increase in revenues

- Increase in new store openings
  - 3/08: 53 stores → 3/09: 56 stores (planned)
- Increase in number of customers
  - Strengthen program merchandise for Light User segment
  - Strengthen sales through original online shopping website (open 3/08)

## ■ Improvement in operating loss

- Improvement in cost of merchandise ratio through strict inventory and SKU management flow
- Improvement in SG&A expense ratio by streamlining administrative operations

Aim for profitability in FY ending 3/09



# Other Business Segment-①

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

## Other Business Segment (Main Facilities)

### ■ Former Segment

- Palm & Fountain Terrace Hotel
- Disney Resort Line
- Tokyo Disneyland Hotel
- Cirque du Soleil Theatre Tokyo



### ■ New Segment

- IKSPIARI
- Cirque du Soleil Theatre Tokyo
- Disney Resort Line

\*Red: Reclassified facilities

### ■ Transfer of IKSPIARI from Commercial Facilities Segment to Other Business Segment

- IKSPIARI developed with Disney Ambassador Hotel as high-quality facility befitting the entrance of Tokyo Disney Resort
- For that reason, business results of both facilities were grouped together as the Commercial Facilities Segment
- Following segment changes, Disney Ambassador Hotel will be included in the Hotel Segment, and IKSPIARI will incur an operating loss as a result (operating loss scenario: ¥0.5 billion ~ ¥0.9 billion)
- Main factor will be large depreciation expenses burden (Positive free cash flow)

## Results

- The Other Business Segment will incur an operating loss as a new segment due to preparation expenses before opening Cirque du Soleil Theatre Tokyo, etc., in addition to IKSPIARI



## Other Business Segment-②

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

Other Business Segment	FY ended 3/08 Results (¥ Billion)	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change
Revenues	19.4	24.6	5.1	26.6%
Operating Income	(0.6)	(1.6)	(1.0)	-

### ■ Increase in revenues

- Increase due to opening of Cirque du Soleil Theatre Tokyo (October 1)

### ■ Increase in operating loss

- Increase in operating loss due to opening of Cirque du Soleil Theatre Tokyo
  - Preparation expenses before opening (about ¥1.0 billion)
  - Large initial expense burden after opening for depreciation expenses, show production expenses, etc.
- Improvement in operating loss of IKSPIARI business
  - Termination of operations at Camp Nepos following revision to social contribution operations (about ¥0.2 billion improvement)

Increase in revenues and decrease in operating income  
due to opening of Cirque du Soleil Theatre Tokyo

20



## Ordinary Income / Net Income

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

	FY ended 3/08 Results (¥ Billion)	FY ending 3/09 Forecast (¥ Billion)	Change (¥ Billion)	Change
Ordinary Income	27.5	26.6	(0.8)	(3.0)%
Net Income	14.7	16.2	1.4	10.1%

### Ordinary Income

#### ■ Decrease in non-operating expenses (¥2.8 billion)

- Decrease due to redemption of first series of bonds, ¥100.0 billion (4/08, 2.60%)
  - Funds appropriated from cash reserves (¥50.0 billion), bonds (¥30.0 billion) and borrowings (¥20.0 billion)

### Net Income

#### ■ Decrease in extraordinary loss (¥2.0 billion)

- FY ended 3/08: Impairment loss following the decision to terminate operations at Camp Nepos (¥1.1 billion), etc.
- FY ended 3/08: Impairment loss and loss on doubtful receivables due to the bankruptcy of a contracting company for a hydroponic culture facility (¥0.7 billion), etc.

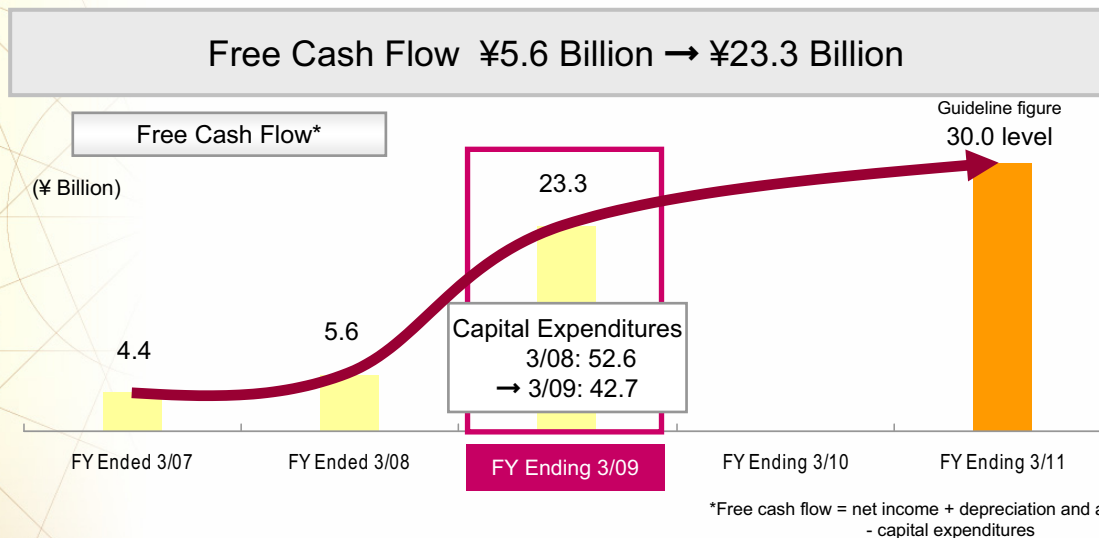
Increase in net income due to decreases in non-operating  
expenses and extraordinary loss

21



## Increase in Free Cash Flow

2. Forecast of Results for the Fiscal Year Ending March 31, 2009



### Distribution of Free Cash Flow

- Direct stockholder returns
  - Payout ratio of 35% or more (target) of consolidated net income
  - Establish framework for stock repurchases
    - Total treasury stock: 5.00 million shares (maximum), total amount of repurchased stock: ¥32.5 billion (maximum)

Appropriate increased free cash flow from FY ending 3/09 for stockholder returns

22



## Summary

2. Forecast of Results for the Fiscal Year Ending March 31, 2009

### Projected Results for FY Ending 3/09 (vs. Previous FY)

#### ■ Revenues

- Increase in revenues due to opening of 2 new facilities\* and increase in theme park attendance

#### ■ Operating Income

- Decrease in operating income due to increase in theme park personnel expenses, depreciation expenses following 3/09 tax code revision, preparation expenses before openings, etc.

#### ■ Net Income

- Increase in net income due to decreases in non-operating expenses and extraordinary loss

\*Tokyo Disneyland Hotel / Cirque du Soleil Theatre Tokyo

Net income will increase despite a decrease in operating income

23



## 3. Progress of Medium-Term Plan Innovate OLC 2010

Yoshiro Fukushima  
Representative Director, President and COO



### Overview of Medium-Term Plan

3. Progress of Medium-Term Plan Innovate OLC 2010

#### Fundamental Policies of the Medium-Term Plan (FY Ended 3/08 - FY Ending 3/11)

##### Positioning:

A period for promoting efforts to generate new growth in the OLC Group

- I** Further strengthen the core business  
(Tokyo Disney Resort) for earnings growth
- II** Establish the foundation for new growth
- III** Increase the value of the OLC Group

#### Targets of the Medium-Term Plan (FY Ended 3/08 - FY Ending 3/11)

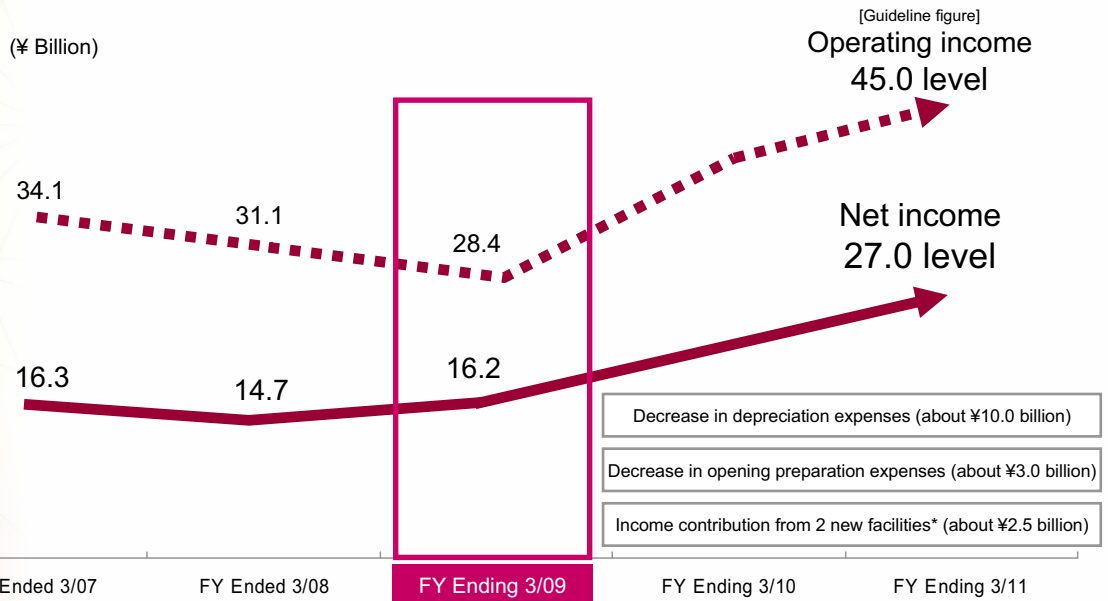
[Consolidated]	FY Ending March 31, 2011	FY Ended March 31, 2008
Net income	¥27.0 billion level	¥14.7 billion
Payout ratio	35% or higher (Dividends: ¥100 level)	Dividends: ¥60



# I. Further Strengthen the Core Business for Earnings Growth-①

3. Progress of Medium-Term Plan Innovate OLC 2010

Target for FY Ending 3/11: Consolidated Net Income at ¥27.0 billion level



\*Tokyo Disneyland Hotel / Cirque du Soleil Theatre Tokyo

Progress according to Medium-Term Plan



# I. Further Strengthen the Core Business for Earnings Growth-②

3. Progress of Medium-Term Plan Innovate OLC 2010

## Enhance Quality

### Tokyo Disney Resort 25th Anniversary (FY Ending 3/09): Tangibles

- Theme parks: Conduct various events throughout the year beginning April 15
- Open Tokyo Disneyland Hotel
- Open Cirque du Soleil Theatre Tokyo

Tokyo Disneyland Hotel	
Scheduled opening	July 8, 2008
Number of guest rooms	705
Average room rate	¥50-60,000 range
Occupancy rate	Approx. 95%

Cirque du Soleil Theatre Tokyo	
Scheduled opening	October 1, 2008
Number of show days	234 days
Number of shows	380 shows or more
Number of seats	2,170
Average price for individuals	¥10,000~12,000
Annual spectator target	Approximately 750,000

Image of revenues for FY ending 3/11: Revenues at ¥20.0 billion level, operating income at ¥2.5 billion level

\* Excluding preparation expenses before opening, Tokyo Disneyland Hotel scheduled to be profitable in FY ending 3/09, Cirque du Soleil Theatre Tokyo in 3rd year

Further enhance the appeal of Tokyo Disney Resort



# I. Further Strengthen the Core Business for Earnings Growth-③

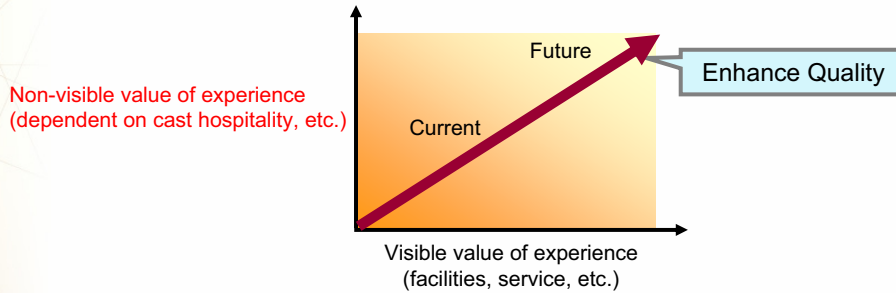
3. Progress of Medium-Term Plan Innovate OLC 2010

## Enhance Quality

### Tokyo Disney Resort 25th Anniversary (FY Ending 3/09): Intangibles

#### Value of the guest experience

- Raise the value of the guest experience ⇨ Raise guest satisfaction
- Visible and non-visible experience value for guests



#### Raise cast hospitality

- Cast hospitality develops a non-visible value of experience
- Implement new measures to raise cast hospitality (Reminding program, area service projects, etc.)

Aim to raise the value of the guest experience



# I. Further Strengthen the Core Business for Earnings Growth-④

3. Progress of Medium-Term Plan Innovate OLC 2010

## Clarify Targets (Domestic)

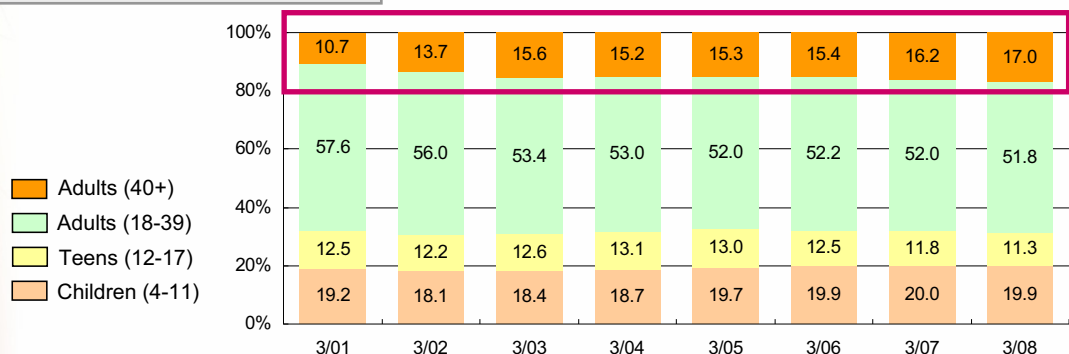
#### Market environment

- Despite a forecast population decrease, population will center on Tokyo metropolitan area
- Continued low birth rate and aging society

#### Policies

- Full utilization of merchandise for Tokyo Disney Resort 25th Anniversary in FY ending 3/09
- In addition, implement further segmentation of marketing (Ex: measures for the New Aging demographic)

Theme park guests by age bracket



Increase theme park attendance in stages by delivering value tailored to the needs of each targeted segment



# I. Further Strengthen the Core Business for Earnings Growth-⑤

3. Progress of Medium-Term Plan Innovate OLC 2010

## Clarify Targets (Overseas)

### Market environment

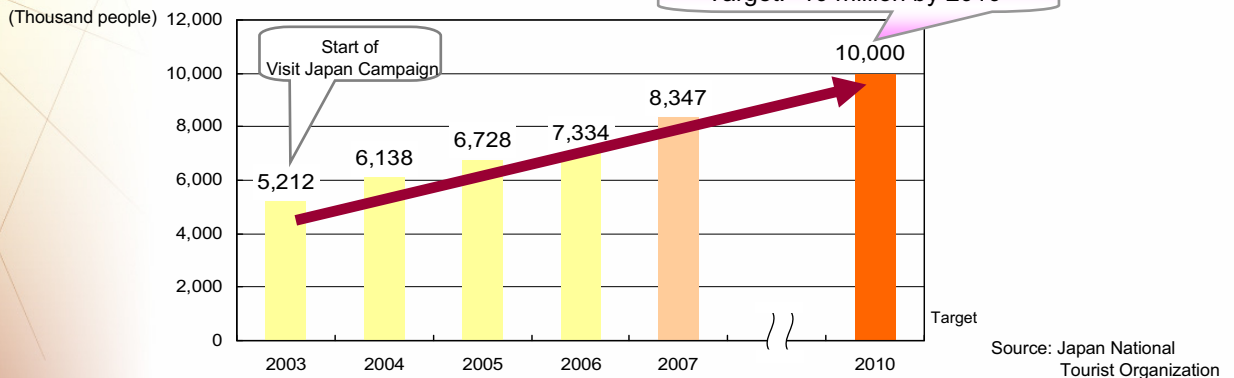
- Continue promoting visits to Japan by foreign tourists, led by the government
  - Visit Japan Campaign, removal of visa requirements, expansion of Haneda Airport and Narita Airport, etc.

### Policies

- Establish group in charge of attracting overseas guests centered on Asia
- Begin full-scale guest attraction activities directed at China

\* Foreign theme park guests: 3/07:0.92 million → 3/08:1.07 million (16.6% increase)

Number of foreign tourists to Japan



Strengthen sales centered on Asia



# I. Further Strengthen the Core Business for Earnings Growth-⑥

3. Progress of Medium-Term Plan Innovate OLC 2010

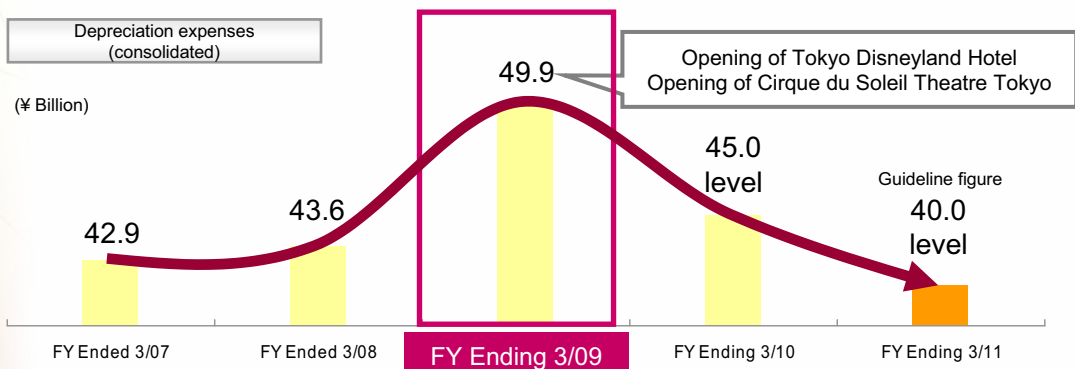
## Raise Cost Efficiency

### Achieve a high level of guest satisfaction while raising cost efficiency

- Reassess the needs of theme park guests and improve backstage efficiency

### Decrease in depreciation expenses (FY ending 3/10~)

- Despite an increase in depreciation expenses due to a tax code revision, depreciation expenses of Tokyo DisneySea will decrease substantially



Significant decrease in depreciation expenses of Tokyo DisneySea



## II. Establish the Foundation for New Growth

3. Progress of Medium-Term Plan Innovate OLC 2010

### Strengthen the Business Infrastructure

- Improve the Retail Business Segment
  - Aim for profitability in FY ending 3/09 and an operating margin of 4% in FY ending 3/11
- Improve IKSPIARI
  - Camp Nepos: Termination of operations following revision of social contribution operations
  - Improve earnings structure as an overall commercial facility

### Formulate Business Development Policies

- Narrow down candidate sites for urban entertainment facility during the year
- In addition to the above, OLC is promoting research into future development in its “Fill Your Heart with Energy and Happiness” business domain

Determine business to follow Tokyo Disney Resort by FY ending 3/11

32



## III. Increase the Value of the OLC Group-①

3. Progress of Medium-Term Plan Innovate OLC 2010

### CSR

- Build a positive relationship with society through business activities and high-affinity activities
  - ~ Set “Family Ties” and “Study” as themes of importance ~
  - Management structure
    - Enhance internal controls and strengthen management oversight functions
    - Information disclosure with high transparency
  - Environmental activities
    - Set the OLC Group Environmental Policy and establish the Environment Committee
    - Implement efforts to reduce environmental impact
  - Social activities
    - Reinforce safety at the theme parks and reflect guest sentiment in measures
    - Implement efforts to contribute to local society and foster the next generation

Establish a foundation for trust, promote CSR activities unique to the OLC Group

33



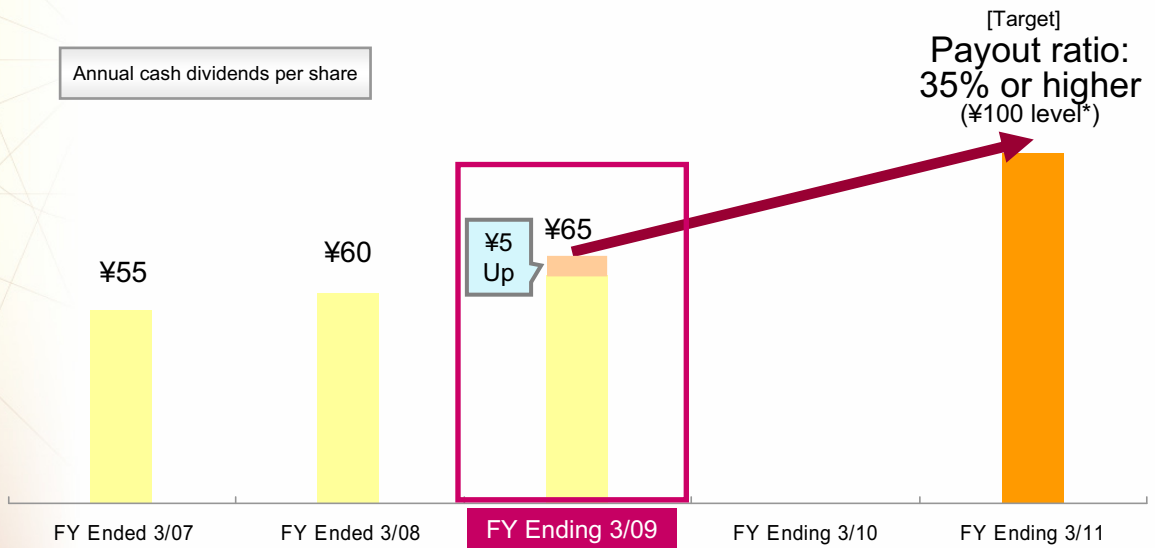
### III. Increase the Value of the OLC Group-②

3. Progress of Medium-Term Plan Innovate OLC 2010

#### Stockholder Returns (Dividends)

Policy: Increase the consolidated payout ratio to 35% or higher from FY ended 3/08

Annual cash dividends per share



Assumption: Consolidated net income at the ¥27.0 billion level

Increase annual cash dividends by ¥5 to ¥65 in FY ending 3/09



### III. Increase the Value of the OLC Group-③

3. Progress of Medium-Term Plan Innovate OLC 2010

#### Stockholder Returns (Share Repurchases)

##### ■ Set framework for share repurchases

- Appropriate free cash flow for share repurchases

##### Details of share repurchases

Share type subject to repurchase	Common shares
Number of shares in repurchase	5.00 million shares (maximum)
Total amount of repurchased shares	¥32.5 billion (maximum)
Repurchase period	5/9/08~3/31/09

#### Increase ROE

##### ■ Increase ROE

- FY ending 3/11: ROE of 6.5~6.9%
- Aim for higher than 8% as soon as possible

Aim to increase ROE through earnings growth and direct profit returns