

**Presentation of Results for the Fiscal Year Ended March 31, 2010 and**  
**Medium-Term Plan**  
**Questions and Answers**

Conference Date: Friday, May 7, 2010
Presenters: Kyoichiro Uenishi, Representative Director, President and COO; and Akiyoshi Yokota, Executive Director and Officer

The following is a summary of the questions and answers from the presentation of the results.

Q1: Isn't your forecast of theme park attendance for the fiscal year ending March 31, 2011 and the next medium-term plan too conservative in comparison with the actual results for the fiscal year ended March 31, 2010 and the position of strength you are currently occupying?

A1: Theme park attendance could be lower than our forecast due to external factors beyond our control, such as bad weather, among others. In the past, there have been times when we set our target for theme park attendance at a high level and then spent corresponding amounts to achieve it. However, our current management methodology aims to maximize free cash flow by implementing solid plans for theme park attendance and controlling costs and investments. Unless there is a downward pressure by external factors, it is possible that theme park attendance will exceed our forecast as a result.

Q2: You revised ticket prices when new attractions were introduced in the past. Is there a possibility that you will revise ticket prices for occasions other than the introduction of new attractions? Also, what kind of price increase would you have in mind?

A2: As you pointed out, in the past we have revised ticket prices following the introduction of large-scale attractions that have enhanced the value of the theme parks. On other hand, we also think that the timing of new attractions and price revisions does not necessarily have to coincide, as the value of theme parks has already been enhanced as a result of factors that include the introduction of new attractions and the expansion of events carried out during the past couple of years. Having said that, we will consider this carefully, taking into account a number of elements, including external factors and the results of our own price sensitivity research. With regard to the range of price increase, we would also like to examine various patterns within the range acceptable to our guests.

Q3: Can you explain what is meant by "Add a fee for some contents with long waiting times" described on page 31 of the presentation material under "Creation and expansion of earnings opportunities"?

A3: Vacation packages are one of the measures we have already adopted at this stage. We are selling vacation packages made up of hotel accommodations combined with other elements such as FastPass tickets and show tickets. As a result, guests can utilize their waiting time by shopping, eating and drinking or other activities, while we can leverage these opportunities to improve our profitability. In addition, we have been considering

various measures other than vacation packages and plan to further strengthen our focus in the future.

Q4: I have the impression that vacation packages offer discounts by combining various contents. Do they contribute to an improvement in profitability?

A4: Because vacation packages include charges for value-added components such as FastPass and others which have not been charged before, they will contribute to our profitability.

Q5: The number of overseas visitors to Japan is expected to increase significantly in the future. Can you tell us about your target regarding overseas guests as well as the measures you will employ to attract them, if any?

A5: The number of overseas guests at our theme parks has been linked with the number of overseas visitors to Japan. In the past, approximately 10% of overseas visitors to Japan attended our theme parks. As the plan by the Japanese government indicates a substantial increase in the number of overseas visitors to Japan in the future, we will make sure to respond appropriately in order to capitalize on this opportunity.

In terms of measures to attract overseas guests, we have been focusing on overseas marketing activities, taking cost effectiveness into account. Hong Kong and Taiwan are the areas where we have been conducting sales promotions and our efforts include holding presentations targeting local travel agencies and selling tickets on consignment. In addition, as Japanese travel companies are expected to obtain a license to conduct sales activities in China and the number of Chinese travelers to Japan is forecast to grow in the future, we are seeking to reinforce our measures to attract Chinese travelers in line with this trend.

Q6: According to the next medium-term plan, total capital expenditures in the Theme Park Segment for the next 10 years are set at ¥200.0 billion, while consolidated capital expenditures for the fiscal year ending March 31, 2011 are set at ¥37.2 billion. Can you tell us your plans for capital expenditures in the future?

A6: First of all, ¥200.0 billion described in the next medium-term plan is a plan for capital expenditures in the Theme Park Segment only and is different from the consolidated plan for the OLC Group. In addition, capital expenditures fluctuate depending on the timing of investment. Therefore, we did not necessarily mean that we will spend ¥20.0 billion every year, but simply indicate that our aggregated capital expenditures for the 10 years will be ¥200.0 billion.

As for a breakdown of the investment amount, we plan to allocate between around ¥10.0 billion and ¥20.0 billion to investment in renewal and improvements and around ¥10.0 billion in new investment on average per year.

Q7: I assume that you should be able to achieve higher figures if you can attract more overseas guests and revise ticket prices during the period of the next medium-term plan. Haven't these elements been factored into the plan?

A7: As the number of overseas guests can be significantly affected by external factors, we expect the number to be similar to the current level and an increase has not been factored into the next medium-term plan.

Revisions of ticket prices have not been priced in either. In regard to our plan for attaching a fee to some of the contents, we have reflected the effect from vacation packages only, with the aim of doubling current sales—at the ¥8.0 billion level—during the period of the next medium-term plan. Other measures have not been factored into the plan.

Q8: Can you tell us about your appetite for new business development and future roll-out plans?

A8: With regard to the new businesses we have rolled out in the past, we started working on the reorganization approximately two years ago based on the idea of being selective and focused. As a result of this, a foundation that will allow us to focus on the growth of the core business and development of new businesses is currently being established. With respect to new businesses, we have been considering areas where the strengths of the OLC Group can be capitalized on by doing what we should but not rushing into new projects. We are currently examining various opportunities and models, without limiting ourselves in terms of regions (domestic or overseas) or methods such as business alliance and M&A.

Q9: In the medium-term plan, you indicated that you “aim to achieve an ROE of 8% or more as early as possible.” How will you achieve this?

A9: We will strive to improve ROE by pursuing both the growth of profits and stockholder returns including by stock repurchases and others. With regard to the acquisition of treasury stock, we are planning to adopt a flexible posture when it comes to responding to external factors.

Q10: In connection with stock repurchases, I would like to know how you will respond if and when large stockholders decide to dispose of your shares in the future.

A10: As in the past, we will consider repurchasing the shares ourselves rather than letting them be released onto the market if large stockholders decided to dispose of our shares.

Q11: Are there any plans to repurchase treasury stock during the period of the next medium-term plan? In addition, if treasury stock cannot be repurchased, is there a possibility that you will revise your policy of achieving a target payout ratio of 35% or more of consolidated net income by increasing the target payout ratio?

A11: As stock repurchases are something we conduct flexibly in response to various external factors such as stock prices and the intentions of our large stockholders, we have not factored them into the next medium-term plan. However, if there is an opportunity for us to acquire treasury stock, we would like to use the opportunity in order to realize our goal of achieving an ROE of 8% or more as early as possible. With regard to the target payout ratio, although there is a possibility that we will increase it further, we would like to focus on achieving our current target payout ratio of 35% or more of consolidated net income first.

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