

Teleconference Overview of Results **for the First Quarter of the Fiscal Year Ending March 31, 2008**

This overview is based on the “Supplementary Materials of the Results for the First Quarter of the Fiscal Year Ending March 31, 2008.” Please refer to those materials, which are available for download at the Oriental Land website at <http://www.olc.co.jp/en/ir>.

- **Conference Date: Thursday, August 2, 2007**
- **Presenter: Akiyoshi Yokota, Director of Finance/Accounting Division**

Consolidated Results

Let’s begin with an overview of the consolidated statement of income on the left side of the supplementary materials.

Results for the first quarter, compared with the first quarter of the previous fiscal year, were as follows:

- Revenues increased 3.2% to ¥75.7 billion
- Operating income increased 51.3% to ¥6.4 billion
- Ordinary income increased 74.3% to ¥5.7 billion
- Net income for the quarter increased 102.5% to ¥3.2 billion

Both revenues and income increased to new records.

Revenues by Segment

Revenues by segment compared with the same quarter a year ago were as follows:

- Revenues in the Theme Park Segment increased 3.2% to ¥63.4 billion
- Revenues in the Commercial Facilities Segment increased 6.9% to ¥5.4 billion
- Revenues in the Retail Business Segment decreased 8.5% to ¥3.6 billion
- Revenues in the Other Business Segment increased 13.0% to ¥3.1 billion

I would like to discuss factors that influenced results. Please refer to the supplementary materials on the right.

Theme Park Segment

Revenues in the Theme Park Segment increased ¥1.9 billion because of factors including increases in attendance and revenues per guest.

Please refer to the first quarter comparison of figures for attendance and revenues per guest on the right.

Attendance increased slightly from the first quarter of the previous fiscal year. Primary factors included the finale of the Tokyo DisneySea 5th Anniversary in May 2007 and the continuing popularity of the “Tower of Terror” attraction that opened in September 2006.

In addition, revenues per guest increased from the previous first quarter. Ticket receipts increased as a result of the ticket price revision in September 2006. Moreover, revenues from food and beverage sales increased slightly due to factors including strong sales of ice cream and drinks, reflecting higher temperatures.

The occupancy rate of the Tokyo DisneySea Hotel MiraCosta was essentially unchanged from the previous first quarter.

Commercial Facilities Segment

Revenues in the Commercial Facilities Segment increased ¥0.3 billion from the previous first quarter due to factors such as an increase in accommodation revenues from the Disney Ambassador Hotel. A key factor was an increase in the occupancy rate due to the absence of the full renovation of guest rooms and other areas conducted in the previous fiscal year.

Retail Business Segment

Despite reduced revenues from merchandise sales as a result of a reduction in the number of stores, the decrease in revenues slowed compared to the same period a year earlier to ¥0.3 billion. I would like to give you a supplemental explanation later.

Other Business Segment

The monorail fare revision implemented in April 2007 resulted in an increase in revenues of ¥0.3 billion compared with the previous first quarter. The occupancy rate of the Palm & Fountain Terrace Hotel was essentially unchanged.

Operating Income by Segment

Next, I would like to discuss operating income by segment.

Overall, while revenues increased 3.2 percent year-on-year, Oriental Land (OLC) restrained growth in cost of revenues to 0.2 percent. As a result, operating income increased 51.3 percent year-on-year to ¥6.4 billion.

I would like to discuss factors that influenced results. Please refer to the middle section on the left side of the supplementary materials.

Please note that OLC is disclosing quarterly operating income by segment for the first time.

Theme Park Segment operating income increased ¥1.4 billion compared with the first quarter of the previous fiscal year to ¥5.9 billion.

Revenues increased. Moreover, as shown in the materials on the right covering changes in the cost of revenues, operating income increased as a result of OLC's success in containing costs. For example, we reduced the production costs associated with entertainment shows by ¥0.3 billion in ways such as holding

“Lilo & Stitch’s Big Panic – ‘Find Stitch!’,” a special event that was popular in the previous fiscal year.

Commercial Facilities Segment operating income increased ¥0.3 billion from the first quarter of the previous fiscal year to ¥0.2 billion.

Revenues increased. Moreover, operating income increased due to factors including the absence of expenses associated with the full renovation of guest rooms and other areas at the Disney Ambassador Hotel in the same quarter a year ago.

Expenses associated with the previous fiscal year’s full renovation totaled approximately ¥0.5 billion, of which just under ¥0.2 billion was charged in the same quarter a year ago.

Retail Business Segment operating loss decreased ¥0.1 billion from the first quarter of the previous fiscal year to ¥0.2 billion.

Cost structure reforms begun in the previous fiscal year continued. As a result, the operating loss decreased. I would like to give you a supplemental explanation covering revenues later.

Other Business Segment operating income increased ¥0.2 billion from the first quarter of the previous fiscal year to ¥0.3 billion.

Revenues increased. Moreover, operating income increased due to factors including the absence of expenses associated with monorail inspection incurred in the same quarter a year ago.

That completes our review of operating income by segment.

Please note item 5 presented in the area on the far right of the left-hand column of the supplementary materials. This is the amount of cost of revenues transferred from other expenses to personnel expenses as a result of a change in the employment contracts of entertainment show cast members.

Ordinary Income and Quarterly Net Income

Ordinary income increased ¥2.4 billion year-on-year to ¥5.7 billion. Factors included the increase in operating income discussed above, as well as higher interest income and interest on securities, which were among factors that resulted in a net increase of ¥0.2 billion in non-operating income.

Net income for the first quarter increased ¥1.6 billion year-on-year to ¥3.2 billion.

This concludes the overview of results for the first quarter of the fiscal year ending March 2008.

Supplementary Data: Retail Business Segment

I would like to give you a supplemental explanation about the Retail Business Segment. Please refer to the middle section of the materials on the right for supplementary data for the Retail Business Segment.

This graph shows revenues by quarter compared with the same period in the previous fiscal year.

As discussed earlier, revenues for the first quarter naturally decreased from the first quarter of the previous fiscal year due to the reduced number of stores. However, the rate of decrease slowed compared with the same quarter a year ago. In the second half of the fiscal year ending March 2008, OLC plans a full-scale introduction of products it has developed under its new creative concept, as well as new store openings.

Expenses during the first quarter decreased by ¥0.1 billion as a result of programs we started in the previous fiscal year to reform this segment's cost structure. OLC projects a full-year reduction of approximately ¥0.4 billion in costs, mainly including store rents, distribution expenses, head office rent expenses and personnel expenses.

Thus OLC is making steady progress with its plan to reform the Retail Business Segment.

Summary

I would like to conclude with a summary.

I would like to compare the first quarter results with the same period in the previous fiscal year.

In the Theme Park Segment, revenues and income increased from the first quarter of the previous fiscal year because of factors including the increases in attendance and revenues per guest, and success at containing the costs associated with entertainment and other expenses. Moreover, the decrease in revenues slowed in the Retail Business Segment, and operating loss decreased as a result of progress in cost structure reform.

I would like to compare actual results with projected results for the first quarter without presenting numerical data.

Because we reduced our goals for attendance from the first quarter of the previous fiscal year, revenues and operating income in the Theme Park Segment both exceeded our plan, and performance in the Retail Business Segment slightly exceeded our projection as well. Moreover, approximately ¥1.0 billion in expenses were shifted to the second quarter and beyond. As a result, consolidated revenues and income substantially exceeded projections.

However, our previously announced interim and full-year projections remain unchanged.

At this point, as discussed earlier, while interim and full-year results are running ahead of projections, we are maintaining the projections unchanged in light of weather risk in the second quarter and thereafter, when theme park attendance is especially heavy.