



July 17, 2018

To whom it may concern:

**Oriental Land Co., Ltd.**  
(TSE Code 4661, 1st Section)

### Announcement Concerning Disposal of Treasury Stock as Restricted Stock Compensation

Oriental Land Co., Ltd. (the “Company”) hereby announces that, at the Board of Directors of the Company resolved to dispose of treasury stock as restricted stock compensation (“Disposal of Treasury Stock” or “Disposal”) as follows.

#### 1. Overview of the Disposal

(1) Date of disposal	August 16, 2018
(2) Class and number of shares to be disposed of	2,933 common shares of the Company
(3) Disposal value	¥11,540 per share
(4) Total disposal value	¥33,846,820
(5) Subscription/allotment method	Allotment of restricted stock
(6) Method of contribution	In-kind contribution of monetary compensation claims
(7) Allottees and number thereof, number of shares to be allotted	Directors (excluding external directors) Eight persons 1,581 shares Corporate Officers 14 persons 1,352shares
(8) Others	For the Disposal of Treasury Stock, a securities statement has been filed in accordance with the Financial Instruments and Exchange Act.

#### 2. Purpose and Reasons for the Disposal

As previously announced in the “Introduction of a Restricted Stock Compensation Plan” dated May 16, 2018, the Board of Directors, at the meeting held on May 16, 2018, resolved to introduce the restricted stock compensation plan (the “Plan”) as a new compensation plan with a purpose to provide incentives to the Company’s Directors (excluding outside directors) (the “Eligible Directors”) and Corporate Officers (collectively, the “Eligible Executives”) to sustainably improve the corporate value of the Company and to further promote shared value between the Eligible Executives and our shareholders.

In addition, at the 58th annual meeting of shareholders (the “Shareholders Meeting”) held on June 28, 2018, it was approved that the Company would grant monetary compensation claims to the Eligible Directors based on the Plan in an amount no greater than 100 million yen per year.

Today, the Company resolved to provide eight Eligible Directors and fourteen Corporate Officers with the monetary compensation claims in the total amount of ¥33,846,820 all of which will be contributed to the Company by Eligible Executives in the form of property contributed in kind, and to allot 2,933 common shares in total as restricted stocks in exchange for the contribution by Eligible Executives above. The calculation

method of the monetary compensation claims for Eligible Executives will be determined by the Board of Directors by considering the job title, responsibilities and roles of each Director, the achievement level of management goals, the individual's achievement level of goals and the degree of contribution, and the balance with the current compensation level. The transfer restriction period will be three years, so that the Company can provide incentives to the Eligible Executives to sustainably improve its corporate value and further promote shared value between the Eligible Executives and our shareholders.

Further, the monetary compensation claims will be granted subject to the execution of a restricted stock allotment agreement between each Eligible Executive and the Company. Such agreement will include the terms stated in "3. Summary of the Plan" and "4. Summary of the Allotment Agreement" below.

### 3. Summary of the Plan

#### (1) Class and total number of restricted stock to be issued/disposed of for the Eligible Executives

The restricted stocks to be issued or disposed of for the Eligible Executives under the Plan will be common shares of the Company, the number of which is to be determined by the Board of Directors. However, the total number of common shares to be issued or disposed of for the Eligible Directors under the Plan shall not exceed 10,000 shares\* annually (within one year from the date of the general meeting of shareholders held each business year).

Note: The total number of common shares to be issued or disposed of under the Plan shall be adjusted to a reasonable extent to reflect a stock split or reverse stock split that takes effect on or after the date of resolution at the Shareholders Meeting, or other actions that could impact the per-share value of the stock after taking into account factors such as the split or reverse split ratio.

#### (2) Amount to be paid in for the restricted shares

The amount to be paid in per common share, to be issued or disposed of as restricted stock for the Eligible Executives under the Plan, shall be determined by the Board of Directors but shall be within a range that does not afford a particular advantage to the Eligible Executives. The amount shall be based on the closing price of the common stock on the Tokyo Stock Exchange on the business day immediately prior to the date on which the Board of Directors passes a resolution on the subscription requirements of such common shares (if no transactions were successfully made on that date, then the transaction day immediately prior thereto).

#### (3) Grant and in-kind contribution of monetary compensation claims

The Company shall grant the Eligible Executives monetary compensation claims equivalent to the amount paid in for the common shares to be issued or disposed of as restricted stock. The Eligible Executives will receive common shares granted by the Company in return for contributing all of the aforementioned monetary compensation claims as property contributed in kind to the Company.

#### (4) Agreement for allocation of restricted stock

In accordance with the Plan, when issuing or disposing of common shares, the Company and the Eligible Executives shall enter into an agreement for the allocation of restricted stock (the "Allotment Agreement"), which includes the following terms:

- i. For a certain period of time, the Eligible Executives may not transfer, use as collateral, or otherwise dispose of the common shares issued or disposed of in accordance with the Plan; and
- ii. Under certain circumstances, the Company shall acquire all of the common shares without consideration.

### 4. Summary of the Allotment Agreement

#### (1) Transfer restriction period

From August 16, 2018 to August 16, 2021 (the "Restriction Period"), the Eligible Executives may not transfer, use as collateral, or otherwise dispose of the common shares allotted to them (the "Allotted

Shares”) under the Allotment Agreement (the “Restriction”).

(2) Conditions for lifting the Restriction

The Company will lift the Restriction on all of the Allotted Shares held by the Eligible Executives at the expiration of the Restriction Period. If, however, any of the Eligible Executives leaves office due to term expiration, loss of life, or any other reason deemed justifiable by the Company’s Board of Directors, the Company will lift the Restriction on all of the Allotted Shares held by such Eligible Executive at the time he or she leaves office, on the first day of the month after leaving office.

(3) Acquisition by the Company without consideration

If certain circumstances occur, including a case where active employment of any of the Eligible Executives with the Company as a Director or Corporate Officer terminates before the expiration of the Restriction Period (except for termination due to term expiration, loss of life, or any other reason deemed justifiable by the Company’s Board of Directors), the Company shall as a matter of course acquire all of the Allotted Shares without consideration.

(4) Treatment during reorganization, etc.

In the event that, during the Restriction Period, a merger agreement in which the Company becomes a dissolving company, a share exchange agreement or a share transfer plan in which the company becomes a wholly-owned subsidiary of another company, or any other matter related to reorganization, etc., is approved at the Company’s Shareholders Meeting (or at the Company’s Board of Directors Meeting if the reorganization, etc., does not require the approval of the Shareholders Meeting), the Restriction will be lifted before the effective date of the reorganization, etc., on the number of Allotted Shares reasonably determined each time by a resolution of the Board of Directors Meeting based on the period from the start of the Restriction Period to the approval date of the reorganization, etc. In addition, in a case prescribed above, the Company will, as a matter of course, acquire without consideration the portion of the Allotted Shares for which the Restriction has not been lifted at the timing immediately after the Restriction is lifted.

(5) Management of shares

In order to prevent the Allotted Shares from being transferred, collateralized or otherwise disposed of during the Restriction Period, the Allotted Shares shall be managed in designated accounts opened by Eligible Executives at Mizuho Securities, Co., Ltd., throughout the Restriction Period. In order to ensure the effectiveness of the Restrictions, etc., concerning the Allotted Shares, the Company shall enter into an agreement with Mizuho Securities Co., Ltd., for the management of the Allotted Shares held by each Eligible Executive.

5. Basis for Calculation and Specific Details of the Payment Amount

In order to eliminate arbitrariness, the disposal value of the Disposal of Treasury Stock will be ¥11,540, which is the closing price of the common stock on the Tokyo Stock Exchange on July 13, 2018 (the business day immediately preceding the Board of Directors Meeting). This is the market price of the day immediately preceding the date of resolution by the Board of Directors, and the Company believes such price is reasonable and not an advantageous price.

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