

# **Results for the Fiscal Year Ended March 31, 2016**

April 27, 2016  
Oriental Land Co., Ltd

## **I. Overview of Results for the Fiscal Year Ended March 2016**

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Kenji Yoshida  
Officer

# 1. Results for FY Ended 3/16 / FY Ended 3/15

I. Overview of Results

Consolidated Statement of Income	Results for FY Ended 3/15 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	466.2	465.3	(0.9)	(0.2)%
Theme Park Segment	387.6	384.6	(3.0)	(0.8)%
Hotel Business Segment	61.0	63.1	2.1	3.5%
Other Business Segment	17.6	17.5	(0.0)	(0.2)%
Operating Income	110.6	107.3	(3.2)	(2.9)%
Theme Park Segment	95.6	91.6	(3.9)	(4.2)%
Hotel Business Segment	13.1	13.8	0.6	5.0%
Other Business Segment	1.6	1.6	0.0	0.1%
Ordinary Income	110.4	109.2	(1.2)	(1.2)%
Profit Attributable to Owners of Parent	72.0	73.9	1.8	2.6%

Net sales and operating income marked the third highest figures ever although falling short of the figures achieved in the previous fiscal year

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# 1. Results for FY 3/16 / FY 3/15 – Main reasons for Change

I. Overview of Results

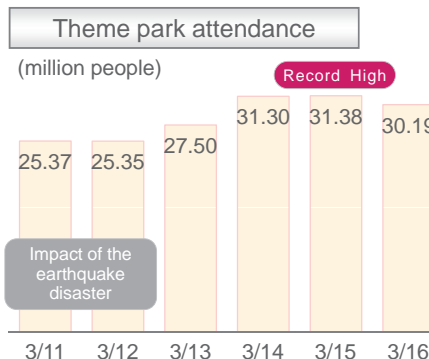
Theme Park Segment [1]	Results for FY Ended 3/15	Results for FY Ended 3/16	Change	Change
Net Sales [¥ billion]	387.6	384.6	(3.0)	(0.8)%
Attendance [million people]	31.38	30.19	(1.19)	(3.8)%
Net Sales per Guest [¥]	10,955	11,257	302	2.8%
Ticket Receipts	4,660	5,007	347	7.4%
Merchandise	4,043	3,964	(79)	(2.0)%
Food and Beverages	2,252	2,286	34	1.5%

## Decrease in theme park attendance

- Decrease because “Once Upon a Time” and “Anna and Elsa’s Frozen Fantasy” entered their second year of operation
- Exceeded 30 million people for the third consecutive year

## Increase in net sales per guest

- Increase in ticket receipts  
— Increase due to the ticket price revision



Although net sales per guest grew, net sales declined as theme park attendance dropped

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## 1. Results for FY 3/16 / FY 3/15 – Main reasons for Change

Theme Park Segment [2]	Results for FY Ended 3/15 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	387.6	384.6	(3.0)	(0.8)%
Operating Income	95.6	91.6	(3.9)	(4.2)%

### Decrease in operating income

- Increase in merchandise and food/beverages sales cost ratio      ¥(2.5 billion)
- Decrease in personnel expenses      +¥0.6 billion
  - Decrease in performance bonus, etc.
- Increase in miscellaneous costs      ¥(3.0 billion)
  - Increase in costs for large-scale investment projects      ¥(2.0 billion)
  - Increase in preparation costs for a comfortable environment      ¥(1.0 billion)
- Increase in depreciation and amortization expenses      ¥(1.2 billion)

Note: Increase in costs is expressed by figures in brackets, which shows by how much operating income was negatively affected.

Operating income fell down because of cost increase

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## 1. Results for FY 3/16 / FY 3/15 – Main reasons for Change

Hotel Business Segment	Results for FY Ended 3/15 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	61.0	63.1	2.1	3.5%
Operating Income	13.1	13.8	0.6	5.0%

- Increase in average charge per room
- Increase in costs related to renovation of guest rooms

### Occupancy Rates and Average Charge per Room

	Tokyo Disneyland Hotel		Tokyo DisneySea Hotel MiraCosta		Disney Ambassador Hotel	
	3/15	3/16	3/15	3/16	3/15	3/16
Occupancy rates	About 95%	96-99%	96-99%	91-94%	About 95%	91-94%
Average charge per room	About ¥55,000	About ¥60,000	About ¥55,000	About ¥60,000	About ¥50,000	About ¥50,000

Net sales and Operating income increased due to a rise in average charge per room, offsetting a rise in costs

Other Business Segment	Results for FY Ended 3/15 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	17.6	17.5	(0.0)	(0.2)%
Operating Income	1.6	1.6	0.0	0.1%

Net sales and operating income were roughly in line with the previous fiscal year

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## 1. Results for FY 3/16 / FY 3/15 – Main reasons for Change

Profit	Results for FY Ended 3/15 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Operating Income	110.6	107.3	(3.2)	(2.9)%
Non-operating Income	2.5	2.9	0.4	17.6%
Non-operating Expenses	2.6	1.1	(1.5)	(57.5)%
Ordinary Income	110.4	109.2	(1.2)	(1.2)%
Income Taxes	38.4	35.2	(3.2)	(8.4)%
Profit Attributable to Owners of Parent	72.0	73.9	1.8	2.6%

### Decrease in non-operating expenses

- Decrease in loss on retirement of fixed assets +¥0.9 billion

### Increase in profit

- Decrease in income taxes

Profit rose due mainly to a decline in income taxes combined with a smaller drop in operating income, setting a new record

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## 2. Results for FY Ended 3/16 / Initial Forecast

Consolidated Statements of Income	Initial Forecast for FY Ended 3/16 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	470.3	465.3	(4.9)	(1.1)%
Theme Park Segment	390.6	384.6	(6.0)	(1.6)%
Hotel Business Segment	62.2	63.1	0.9	1.5%
Other Business Segment	17.4	17.5	0.1	1.0%
Operating Income	106.0	107.3	1.3	1.2%
Theme Park Segment	92.0	91.6	(0.3)	(0.4)%
Hotel Business Segment	12.5	13.8	1.2	9.6%
Other Business Segment	1.3	1.6	0.2	22.5%
Ordinary Income	107.3	109.2	1.9	1.8%
Profit Attributable to Owners of Parent	72.2	73.9	1.6	2.3%

\*Please refer to "Supplementary Materials" [P. 5-6] for details.

Each income and profit exceeded the forecast, while net sales and operating income in theme park segment decreased

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## 2. Results for FY Ended 3/16 / Initial Forecast – Main reasons for Change

I. Overview of Results

Theme Park Segment	Initial Forecast for FY Ended 3/16 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	390.6	384.6	(6.0)	(1.6)%
Operating Income	92.0	91.6	(0.3)	(0.4)%

### Decrease in operating income

- Decrease in net sales
- Increase in merchandise and food/beverages sales cost ratio about ¥(1.0 billion)
- Increase in personnel expenses about ¥(1.0 billion)
- Decrease in miscellaneous costs about +¥3.0 billion
  - Decrease in costs for large-scale investment projects about +¥2.0 billion
  - Decrease in other expenses (energy costs, etc.) about +¥1.0 billion
- Decrease in depreciation and amortization expenses about +¥0.5 billion

Operating income is roughly on a par with the forecast  
because the cost were below our projection

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## 2. Results for FY Ended 3/16 / Initial Forecast – Main reasons for Change

I. Overview of Results

Hotel Business Segment	Initial Forecast for FY Ended 3/16 [¥ billion]	Results for FY Ended 3/16 [¥ billion]	Change [¥ billion]	Change
Net Sales	62.2	63.1	0.9	1.5%
Operating Income	12.5	13.8	1.2	9.6%

### Increase in operating income

- Increase in net sales
  - Increase in average charge per room
- Decrease in miscellaneous costs

### Occupancy Rates and Average Charge per Room

	Tokyo Disneyland Hotel		Tokyo DisneySea Hotel MiraCosta		Disney Ambassador Hotel	
	Initial Forecast	Actual Result	Initial Forecast	Actual Result	Initial Forecast	Actual Result
Occupancy rates	96-99%	96-99%	91-94%	91-94%	91-94%	91-94%
Average charge per room	About ¥55,000	About ¥60,000	About ¥55,000	About ¥60,000	About ¥50,000	About ¥50,000

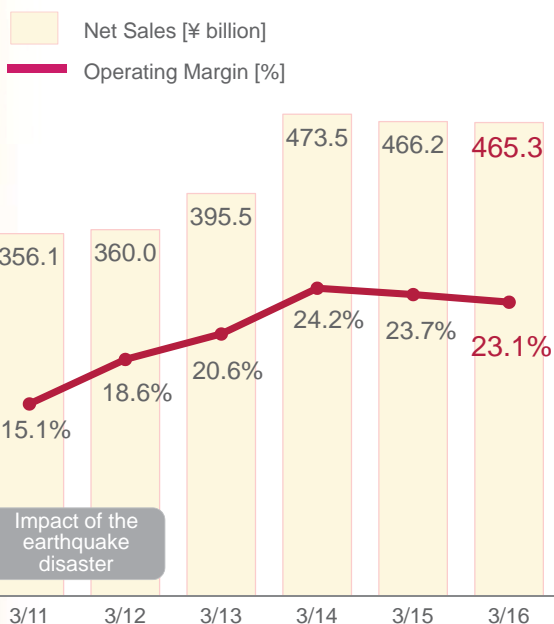
An increase in net sales and a decline in cost contributed  
to the growth of operating income

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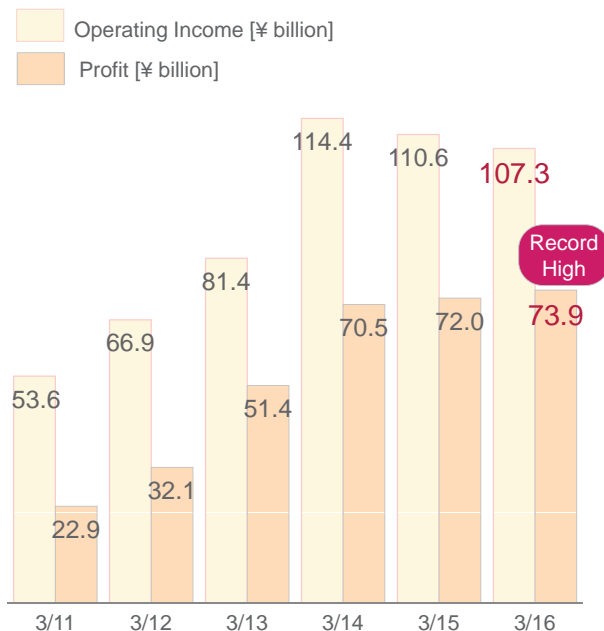
### 3. Changes in Results

I. Overview of Results

#### Consolidated Net Sales and Operating Margin



#### Consolidated Operating Income and Profit



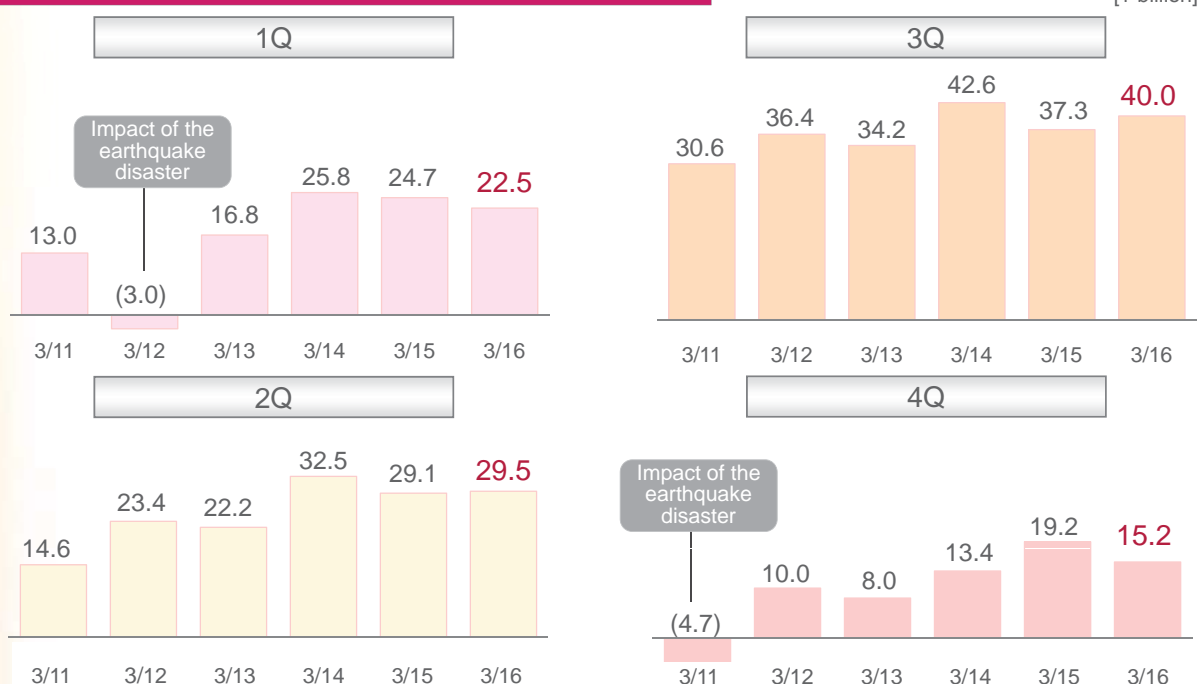
All net sales, operating income and profit remain at a high level

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### 3. Changes in Results

I. Overview of Results

#### Quarterly Consolidated Operating Income



Each quarter keeps high performance

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## II. Forecast for the Fiscal Year Ending March 31, 2017



### 1. Forecast for FY Ending 3/17 / Results for FY Ended 3/16

II. Forecast

Consolidated Statements of Income	Results for FY Ended 3/16 [¥ billion]	Forecast for FY Ending 3/17 [¥ billion]	Change [¥ billion]	Change
Net Sales	465.3	479.9	14.5	3.1%
Theme Park Segment	384.6	397.3	12.7	3.3%
Hotel Business Segment	63.1	65.9	2.7	4.4%
Other Business Segment	17.5	16.6	(0.9)	(5.4)%
Operating Income	107.3	109.1	1.7	1.6%
Theme Park Segment	91.6	93.0	1.3	1.5%
Hotel Business Segment	13.8	13.9	0.1	1.1%
Other Business Segment	1.6	1.9	0.3	19.0%
Ordinary Income	109.2	110.5	1.2	1.2%
Profit Attributable to Owners of Parent	73.9	76.8	2.9	4.0%

Both net sales and operating income are projected to grow

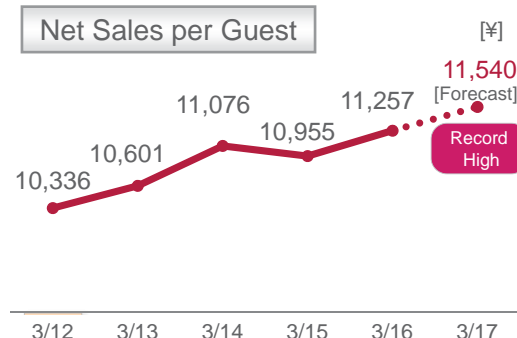
# 1. Forecast for FY Ending 3/17 / Results for FY Ended 3/16 – Main reasons for Change

II. Forecast

Theme Park Segment [2]	Results for FY Ended 3/16 [¥ billion]	Forecast for FY Ending 3/17 [¥ billion]	Change [¥ billion]	Change
Net Sales [¥ billion]	384.6	397.3	12.7	3.3%
Attendance [million people]	30.19	30.40	0.20	0.7%
Net Sales per Guest [¥]	11,257	11,540	283	2.5%
Ticket Receipts	5,007	5,220	213	4.3%
Merchandise	3,964	4,030	66	1.7%
Food and Beverages	2,286	2,290	4	0.2%

## Increase in net sales

- Increase in theme park attendance
  - Increase driven by Tokyo DisneySea 15th anniversary events
- Increase in net sales per guest
  - Increase in ticket receipts due to the ticket price revision



Theme park attendance and net sales per guest are projected to rise, pushing up net sales

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# 1. Forecast for FY Ending 3/17 / Results for FY Ended 3/16 – Main reasons for Change

II. Forecast

Theme Park Segment [2]	Results for FY Ended 3/16 [¥ billion]	Forecast for FY Ending 3/17 [¥ billion]	Change [¥ billion]	Change
Net Sales	384.6	397.3	12.7	3.3%
Operating Income	91.6	93.0	1.3	1.5%

## Increase in operating income

- Increase in net sales
  - Increase in theme park attendance and net sales per guest
- Decrease in merchandise and food/beverages sales cost ratio
  - about +¥0.5 billion
- Increase in personnel expenses
  - about ¥(3.5 billion)
  - Increase related to the personnel system revisions
    - about ¥(3.0 billion)
  - Other increases (working hours of part-time employees, etc.)
    - about ¥(0.5 billion)
- Increase in miscellaneous costs
  - about ¥(4.0 billion)
  - Increase in costs related to Tokyo DisneySea 15th Anniversary events
    - about ¥(2.5 billion)
  - Increase in business tax payment
    - about ¥(1.0 billion)
  - Increase in other expenses related to entertainment, etc.
    - about ¥(1.5 billion)
  - Decrease in costs for large-scale investment projects
    - about +¥1.0 billion
- Increase in depreciation and amortization expenses
  - about ¥(2.0 billion)

Operating income is expected to climb thanks to a growth in net sales in spite of cost increase

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# 1. Forecast for FY Ending 3/17 / Results for FY Ended 3/16 – Main reasons for Change

II. Forecast

Hotel Business Segment	Results for FY Ended 3/16 [¥ billion]	Forecast for FY Ending 3/17 [¥ billion]	Change [¥ billion]	Change
Net Sales	63.1	65.9	2.7	4.4%
Operating Income	13.8	13.9	0.1	1.1%

- Increase in occupancy rates, increase due to opening of Tokyo Disney Celebration Hotel
- Increase in miscellaneous costs (opening costs of Tokyo Disney Celebration Hotel, etc.)

## Occupancy Rates and Average Charge per Room

	Tokyo Disneyland Hotel		Tokyo DisneySea Hotel MiraCosta		Disney Ambassador Hotel	
	FY 3/16	FY 3/17	FY 3/16	FY 3/17	FY 3/16	FY 3/17
Occupancy rates	96-99%	96-99%	91-94%	96-99%	91-94%	91-94%
Average charge per room	About ¥60,000	About ¥60,000	About ¥60,000	About ¥60,000	About ¥50,000	About ¥50,000

Net sales and operating income are forecast to grow due mainly to the opening of Tokyo Disney Celebration Hotel

Other Business Segment	Results for FY Ended 3/16 [¥ billion]	Forecast for FY Ending 3/17 [¥ billion]	Change [¥ billion]	Change
Net Sales	17.5	16.6	(0.9)	(5.4)%
Operating Income	1.6	1.9	0.3	19.0%

While net sales are estimated to fall, operating income is expected to grow

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Oriental Land Co., Ltd.

## III. Progress of 2016 Medium-Term Plan

Representative Director, President and COO  
Kyoichiro Uenishi

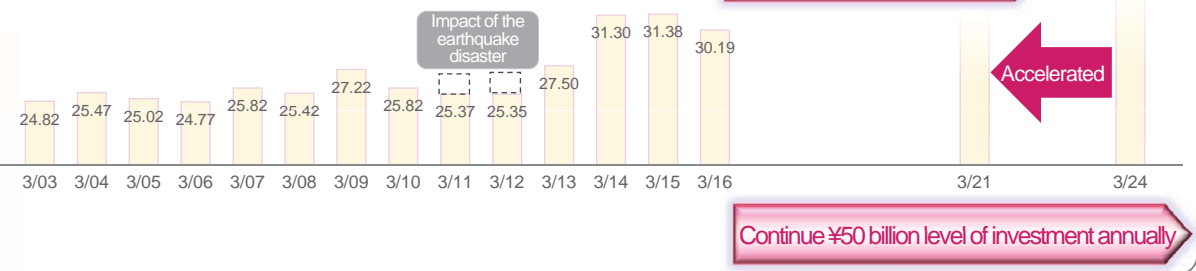
### OLC in 2023

Aim to achieve over 30 million level of attendance along with guest satisfaction by 2023 through maximizing theme park value by making full use of land in Maihama

Environment changes, such as increases in attendance level of recent years

The target to be brought forward

(million people)



Achieving the target of "OLC in 2023" in FY 3/21, ahead of schedule

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### Policy up to fiscal year 3/21

To achieve a level of over 30 million attendance level with the higher degree of guest satisfaction by FY 3/21, OLC will continue to improve the parks in a variety of ways through large scale development and perfecting the guest services and facilities as well as human resource developments.

### Development plans for Tokyo Disneyland and Tokyo DisneySea

Tokyo Disneyland	<ul style="list-style-type: none"> <li>•Beauty and the Beast Area [tentative name]               <ul style="list-style-type: none"> <li>— Major attraction</li> </ul> </li> <li>•Live Entertainment Theater</li> <li>•New Attraction themed to the Disney film, <i>Big Hero 6</i></li> <li>•New Disney Character Greeting Facility</li> </ul>	¥75 billion level of investment for 5 years
Tokyo DisneySea	<ul style="list-style-type: none"> <li>•"Out of Shadowland" at Hangar Stage</li> <li>•Nemo &amp; Friends Sea Rider</li> <li>•New Attraction at Mediterranean Harbor</li> </ul>	¥25 billion level of investment for 5 years
Both Parks	<ul style="list-style-type: none"> <li>•Renewal of attractions and entertainment programs</li> <li>•Development of special events</li> <li>•Development of shops and restaurants</li> <li>•Development of other facilities, such as restrooms</li> <li>•Investment for update improvement</li> </ul>	¥30 billion level of investment per year

Partially reviewed our plan to accelerate the development

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## Map of Areas to Be Developed <Tokyo Disneyland>



©Disney

Note: This concept image is not an exact representation of the development area of the facilities.

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## New area Fantasyland Overall View



©Disney

Note: This concept image is subject to change.

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## Beauty and the Beast Area [tentative name]

Village



Exterior of Major Attraction



©Disney

Note: These concept images are subject to change.

23

## Concept image of the guests experiencing the major attraction in Beauty and the Beast Area [tentative name]



©Disney

Note: This concept image is subject to change.

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## Live Entertainment Theater

Exterior



Interior



©Disney

Note: These concept images are subject to change.

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## Concept image of guests experiencing new attraction themed to the Disney film, *Big Hero 6*



©Disney

Note: This concept image is subject to change.

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Concept image of guests experiencing  
the new Disney Character greeting facility



©Disney

Note: This concept image is subject to change.

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Map of Area to Be Developed <Tokyo DisneySea>



©Disney

Note: This concept image is not an exact representation  
of the development area of the facilities.

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## New Attraction at Mediterranean Harbor

Exterior of the attraction



Concept image of the guests experiencing the attraction



©Disney

Note: These concept images are subject to change.

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### Future Development Plans

III. Progress of 2016 Medium-Term Plan

#### Policy for fiscal year 3/22 and after

1

Sustainable growth of the core business

Development plans for further growth of both parks

<Tokyo Disneyland>

The new plans will apply to all seven themed lands, including Fantasyland. An area-based development for each themed land is intended to leave a lasting impact on the park

<Tokyo DisneySea>

To achieve a significant breakthrough, the expansion of the existing site and utilization of new development sites will create an environment with a higher degree of guest satisfaction from a qualitative as well as quantitative standpoint



Continue ¥50 billion investment annually and increase the attendance level for a long term

2

Development of Tokyo Disney Resort

Investigate various ways to add more value to Tokyo Disney Resort as a whole, such as increasing the number of guest rooms at the hotels within the Resort

3

Further growth through new business

Plans for the new business aimed at growing it into a single business segment will continue to be considered in ways that are not constrained by specific timeframe



Broader investigation for long-term sustainable growth

Formulate policy from a long term perspective and embody plans as taking environment in consideration

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## Overall Structure of the 2016 Medium-Term Plan

### Quantitative Target:

Operating cash flow\* of over ¥280.0 billion in a three-year period

We will endeavor to maximize operating cash flow to make large-scale investments in our core business and fund investments in new business.

1

Sustainable growth of the core business

- While seeking to build a business foundation in line with upcoming changes in the market, we will strive to maximize operating cash flow
- We will decide on and sequentially launch large-scale investment projects that help us maximize the value of our theme parks

2

Further growth through new business

- We will move forward our research and development of a business with the potential to contribute to our future earnings outside the Maihama area

3

Financial policies

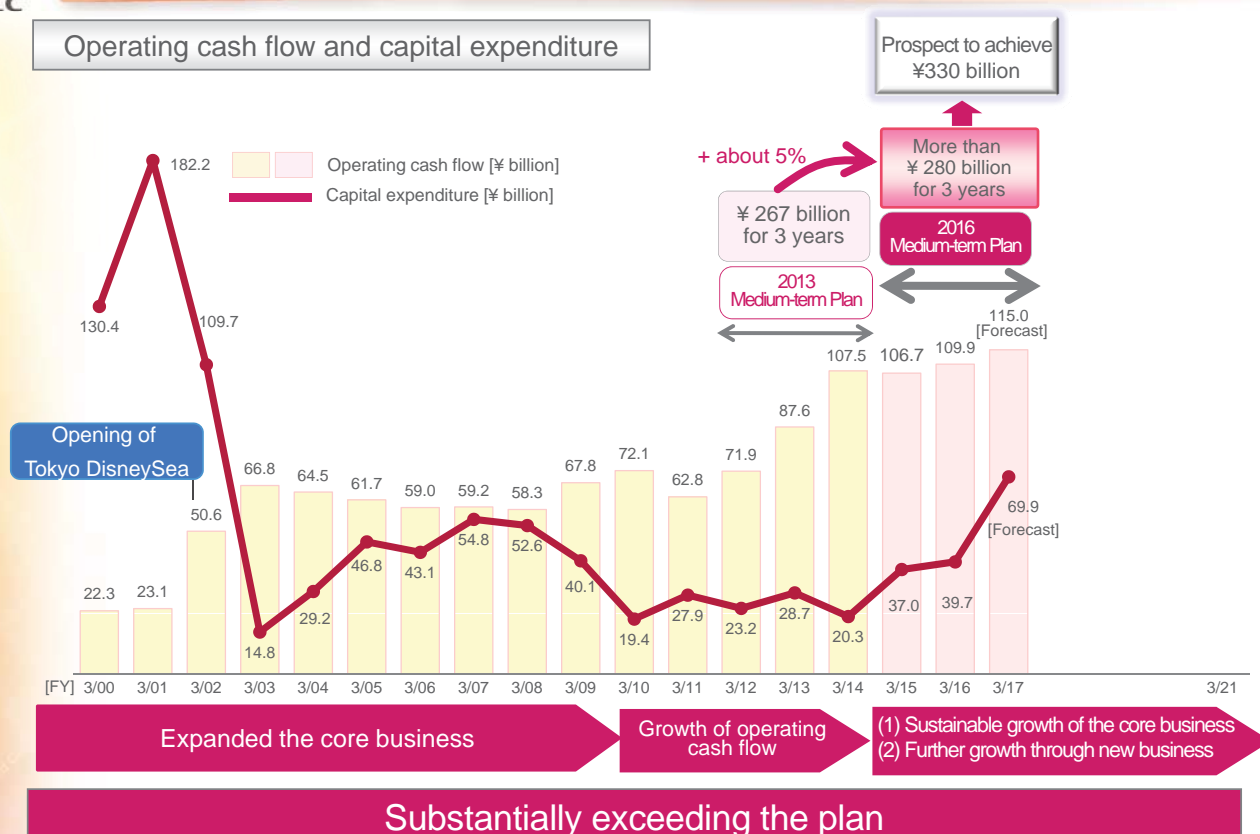
- We will use operating cash flow to enhance our corporate value

\* Operating cash flow = Profit attributable to owners of parent + Depreciation and amortization expenses

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## 2016 Medium-Term Plan - Target

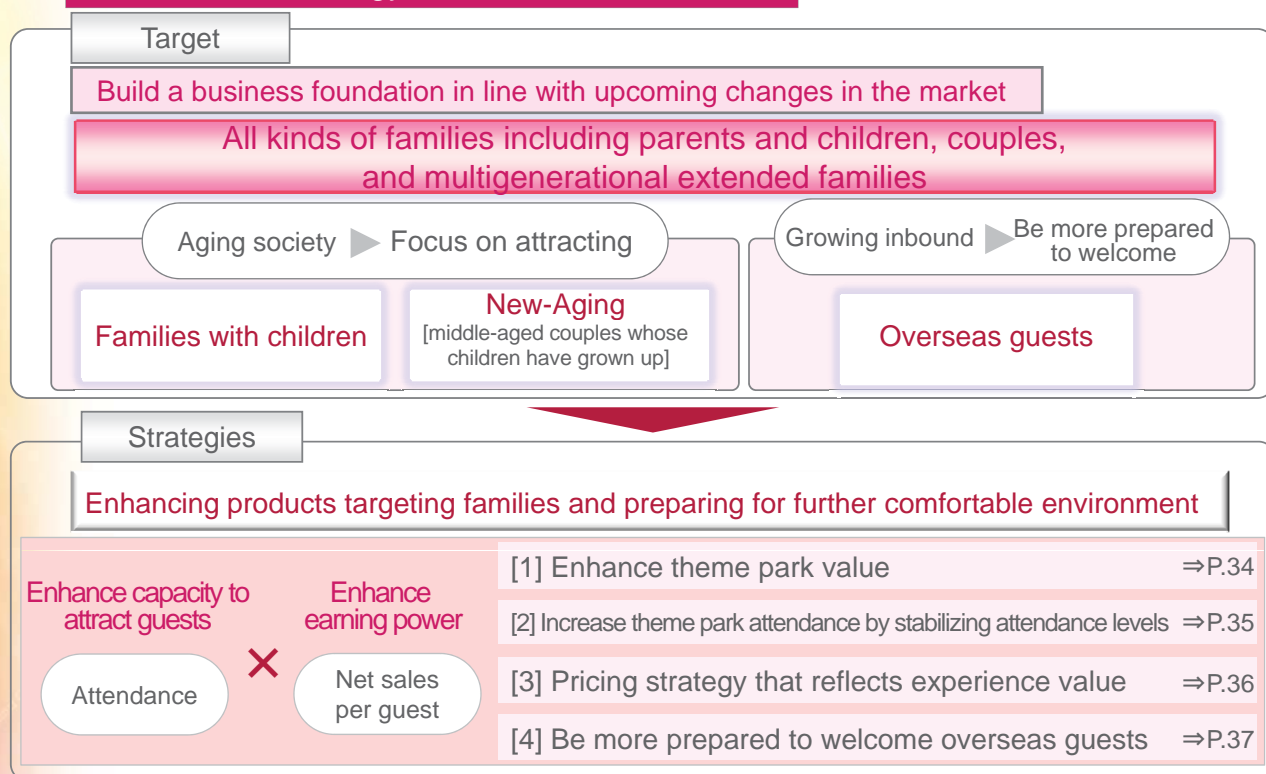
### Operating cash flow and capital expenditure



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# 1. Sustainable Growth of the Core Business

## Outline of strategy for the core business

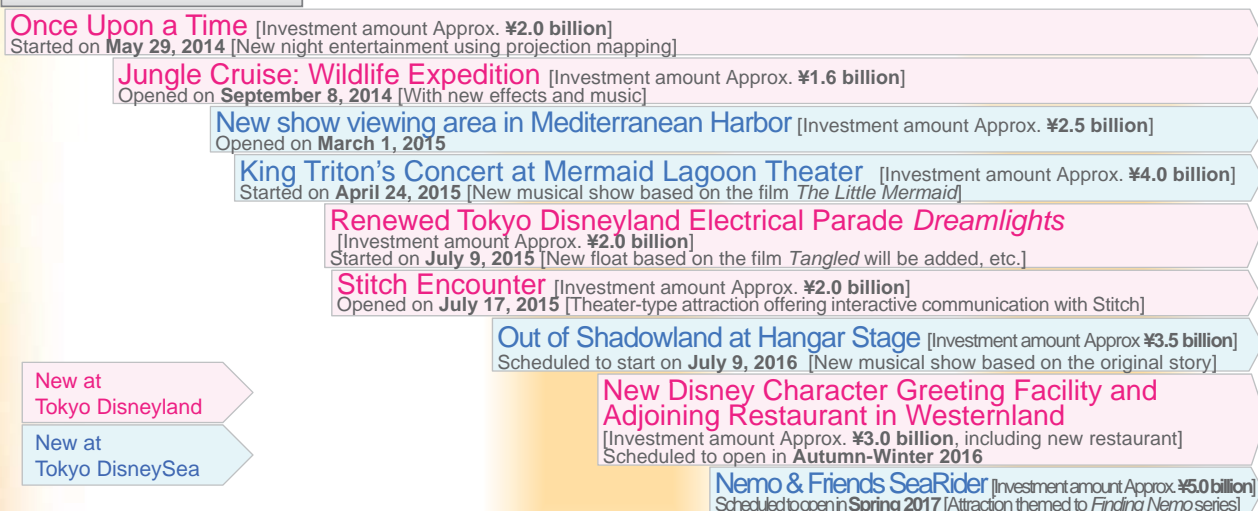


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# 1. Sustainable Growth of the Core Business

## [1] Enhance theme park value

### Main new products



\*Plans announced as of April 27, 2016



Further enhance value of theme park toward long-term sustainable growth

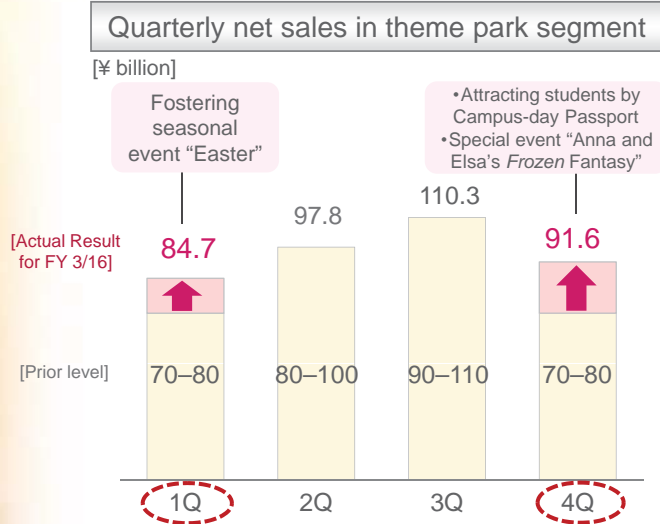
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## 1. Sustainable Growth of the Core Business

### [2] Increase theme park attendance by stabilizing attendance levels

#### Increase theme park attendance in 1Q and 4Q

Strengthen our capacity to attract guests by rolling out special events in combination with marketing activities



#### The first quarter

Tokyo Disneyland (Tokyo DisneySea)

#### Disney's Easter

[From April 2 to June 23, 2015, for 83 days at both parks]  
[From March 25 to June 15, 2016, for 83 days at one park]

Aim to foster the event as popular and well-known seasonal event as Halloween and Christmas

#### The fourth quarter

Tokyo Disneyland

#### Anna and Elsa's Frozen Fantasy

[From January 12 to March 18, 2016, for 67 days]  
[From January 13 to March 17, 2017, for 64 days]

Holding a special event under the theme of the Disney film *Frozen*

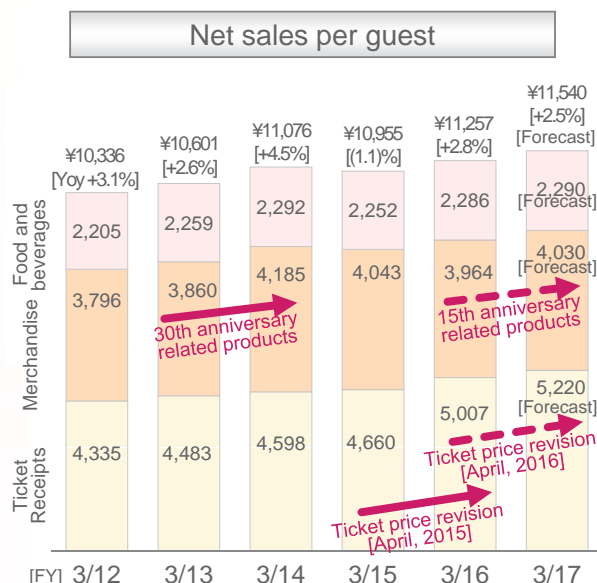
Robust attendance in 1Q and 4Q driven by special events, etc.

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## 1. Sustainable Growth of the Core Business

### [3] Pricing strategy that reflects experience value

Increase guest spending by creating new value and setting prices strategically



#### Increase in ticket receipts

#### Ticket price revision

[From April 1, 2015]

1-Day Passport [Adult]

¥6,400 → ¥6,900

[From April 1, 2016]

1-Day Passport [Adult]

¥6,900 → ¥7,400

Raising the prices of the all ticket types for two consecutive year to appropriately reflect the value of the theme parks

Revised ticket prices to reflect theme park value

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## 1. Sustainable Growth of the Core Business

### [4] Be more prepared to welcome overseas guests

#### Enhance experience value

Aim to enhance experience value by improving both our tangible and intangible features so as to be more prepared to welcome overseas guests

#### Strengthen our appeal

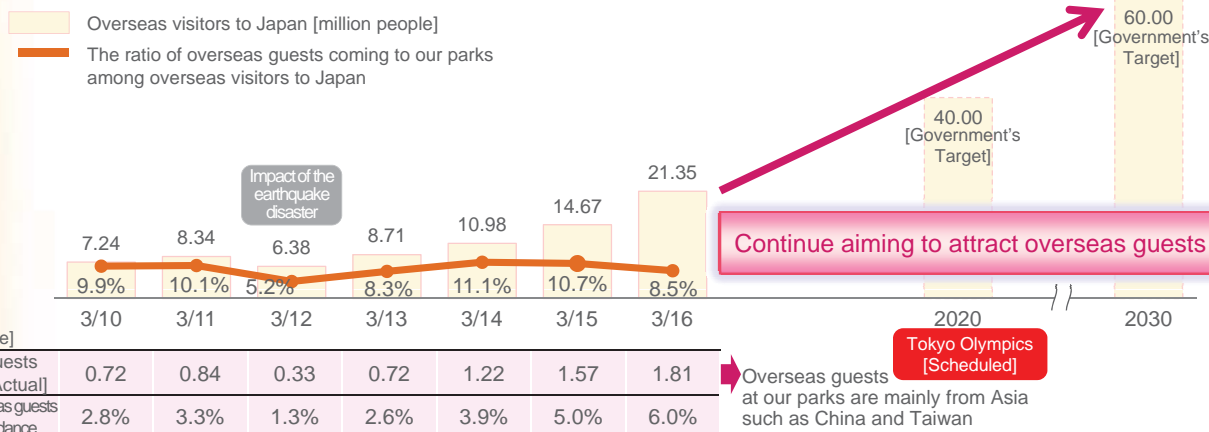
Strengthen marketing activities focusing on Southeast Asia, where growth is expected

Launched websites in Thai and Indonesian, in addition to English, Chinese, and Korean

Started sales of Vacation Packages for overseas guests from March 2016

The number of overseas visitors to Japan and the ratio of our parks' overseas guests among overseas visitors to Japan

Source: Prepared by the OLC Group based on materials created by the Japan National Tourist Organization (JNTO) and the Japan Tourism Agency.



Take advantage of the growth in foreign tourists visiting Japan and respond appropriately

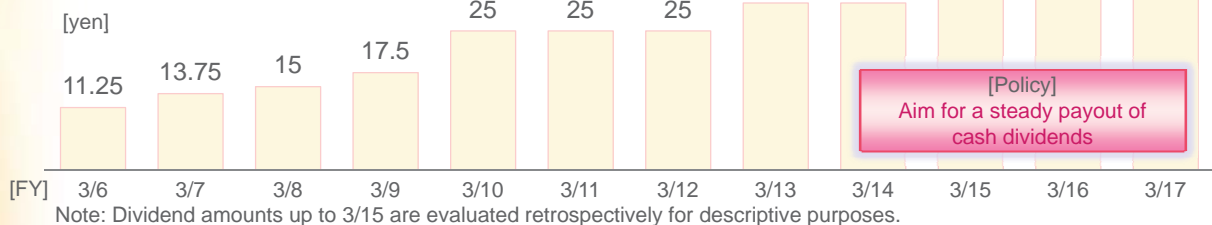
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## 2. Financial Policies

Policy: By using operating cash flow for further growth, strive to enhance corporate value

### [1] Cash Dividends

Annual cash dividends per share

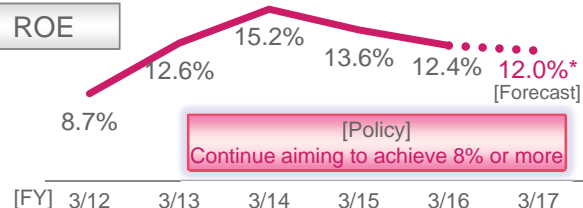


### [2] Share Repurchase

Resolved to repurchase shares

Acquisition Period	Number of shares to be repurchased	Total value of shares to be repurchased
From April 2016 to March 2017	3.6 million shares	30 billion yen

### [3] ROE



Provide stockholder returns steadily

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**Oriental Land Co., Ltd.**

Investor Relations Group, Finance/Accounting Department

[www.olc.co.jp/en](http://www.olc.co.jp/en)

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**Cautionary Statement:**

This document includes statements about Oriental Land's plans, estimates, strategies and beliefs. The statements made that are not based on historical fact represent the assumptions and expectations of Oriental Land in light of the information available to it as of the date when this document was prepared, and should be considered as forward-looking.

Oriental Land uses a variety of business measures to constantly strive to increase its net sales and management efficiency. However, Oriental Land recognizes that there are certain risks and uncertainties that should be considered which could cause actual performance results to differ from those discussed in the forward-looking statements.

Potential risks could include, but are not limited to, weather, general economic conditions, and consumer preferences. Therefore, there is no firm assurance that the forward-looking statements in this document will prove to be accurate.

Theme park attendance figures have been rounded. Financial figures have been truncated.

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