

Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2018(Japanese accounting standards)

July 28, 2017

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

Oriental Land Co., Ltd.

Code number: 4661, First Section of the Tokyo Stock Exchange

URL: <http://www.olc.co.jp/en/>

Representative: Kyoichiro Uenishi, Representative Director and President

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Planned Date for Submission of the Quarterly Report: August 10, 2017

Planned Date for Start of Dividend Payment: —

Supplementary materials for the quarterly financial statements: Yes

Briefing session on quarterly financial results: Yes (for institutional investors)

Note: All amounts are rounded down to the nearest million yen.

1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2018 (April 1, 2017 to June 30, 2017)

(1) Consolidated Operating Results (Cumulative total)

(Percentages represent change compared with the same period of the previous fiscal year.)

	Net sales (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Ordinary income (¥ million)	Year-on-year change (%)
Three months ended June 30, 2017	109,874	2.7	25,063	10.0	25,723	9.3
Three months ended June 30, 2016	106,978	3.6	22,793	0.9	23,533	1.2

Note: Comprehensive income:

Three months ended June 30, 2017: ¥23,331 million (91.3%)

Three months ended June 30, 2016: ¥12,195 million ((27.2)%)

	Profit attributable to owners of parent (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Diluted earnings per share (¥)
Three months ended June 30, 2017	20,935	28.5	63.35	60.74
Three months ended June 30, 2016	16,295	4.9	49.00	47.37

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net assets per share (¥)
As of June 30, 2017	827,313	666,334	80.5	2,027.79
As of March 31, 2017	849,798	669,515	78.8	2,020.58

Reference: Shareholders' equity:

As of June 30, 2017: ¥ 666,334 million

As of March 31, 2017: ¥669,515 million

2. Dividends

	Annual dividends (¥)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Fiscal Year ended March 31, 2017	—	17.50	—	20.00	37.50
Fiscal Year ending March 31, 2018	—				
Fiscal Year ending March 31, 2018 (Est.)		20.00	—	20.00	40.00

Note: Revisions to the latest announcement regarding dividend projection: None

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(Percentages represent change compared with the previous fiscal year or the same quarter of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Six months ending September 30, 2017	226,990	(0.2)	48,290	(9.3)	49,450	(9.0)	34,490	(9.5)	104.66
Fiscal Year ending March 31, 2018	469,300	(1.8)	100,170	(11.5)	101,610	(11.3)	70,810	(14.0)	215.18

Note: Revisions to the latest announcement regarding result projection: None

*Notes

- (1) Changes in Major Subsidiaries during the Three Months Ended June 30, 2017: None
New: — companies (Company name:)
Eliminated: — companies (Company name:)
- (2) Application of Special Accounting Methods for Quarterly Consolidated Financial Statements: None
- (3) Changes in Accounting Policies, Changes in Accounting Estimates, or Restatement
 - (a) Changes in accounting policies due to changes in accounting standards: None
 - (b) Changes in accounting policies due to other than (a) above: None
 - (c) Changes in accounting estimates: None
 - (d) Restatement: None

(4) Number of Shares Issued and Outstanding (Common stock)

(a) Number of shares issued at end of period (including treasury stock)	Three months ended June 30, 2017:	363,690,160 shares	Year ended March 31, 2017:	363,690,160 shares
(b) Number of treasury stock at end of period	Three months ended June 30, 2017:	35,088,517 shares	Year ended March 31, 2017:	32,341,617 shares
(c) Average number of shares outstanding (quarterly cumulative period)	Three months ended June 30, 2017:	330,472,474 shares	Three months ended June 30, 2016:	332,581,113 shares

Note: Number of treasury stock includes dividends paid to the trust to the employee stock plan.

*** Consolidated Financial Statements for the First Quarter are not subject to quarterly financial review.**

* Explanation on the Appropriate Usage of Performance Projections and Other Specific Matters

The projections and other statements with respect to the future included in this material are based on currently available information and certain assumptions that are judged reasonable by the Company. Please be advised that the Company does not guarantee in any way the achievement of the projections and other goals in this material and that cases may occur where the actual results and other situations differ materially from the projections due to various factors.

Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2017)	At the end of the first quarter (June 30, 2017)
ASSETS		
Current assets		
Cash and deposits	263,801	231,411
Notes and accounts receivable—trade	18,874	14,755
Securities	10,999	11,709
Merchandise and finished goods	9,874	11,412
Work in process	151	141
Raw materials and supplies	7,222	7,267
Other	8,145	10,233
Allowance for doubtful accounts	(1)	(1)
Total current assets	319,069	286,930
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	275,114	274,949
Machinery, equipment and vehicles, net	27,753	29,900
Land	115,082	117,653
Construction in progress	18,306	18,424
Other, net	15,717	15,370
Total property, plant and equipment	451,973	456,298
Intangible assets		
Other	9,576	9,053
Total intangible assets	9,576	9,053
Investments and other assets		
Other	69,270	75,122
Allowance for doubtful accounts	(92)	(91)
Total investments and other assets	69,178	75,031
Total non-current assets	530,728	540,382
Total assets	849,798	827,313

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2017)	At the end of the first quarter (June 30, 2017)
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	17,498	12,414
Current portion of long-term loans payable	4,760	4,767
Income taxes payable	17,412	6,892
Provision for loss on disaster	2	2
Other	71,429	66,671
Total current liabilities	111,103	90,749
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	5,814	5,649
Net defined benefit liability	4,400	4,485
Other	8,963	10,094
Total non-current liabilities	69,179	70,229
Total liabilities	180,282	160,978
NET ASSETS		
Shareholders' equity		
Capital stock	63,201	63,201
Capital surplus	111,911	111,911
Retained earnings	551,630	565,927
Treasury shares	(70,464)	(90,337)
Total shareholders' equity	656,279	650,703
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,405	14,732
Deferred gains or losses on hedges	(319)	(230)
Remeasurements of defined benefit plans	1,149	1,129
Total accumulated other comprehensive income	13,235	15,631
Total net assets	669,515	666,334
Total liabilities and net assets	849,798	827,313

(2) Quarterly Consolidated Statements of (Comprehensive) Income
(Quarterly Consolidated Statements of Income)
Three months ended June 30, 2017

(Millions of yen)

Items	Three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)
Net sales	106,978	109,874
Cost of sales	68,386	69,042
Gross profit	38,592	40,831
Selling, general and administrative expenses	15,798	15,768
Operating income	22,793	25,063
Non-operating income		
Interest income	133	45
Dividends income	422	447
Share of profit of entities accounted for using equity method	40	48
Insurance received and insurance dividends	86	90
Other	301	297
Total non-operating income	985	929
Non-operating expenses		
Interest expenses	53	52
Commission fee	132	171
Other	59	46
Total non-operating expenses	244	269
Ordinary income	23,533	25,723
Profit before income taxes	23,533	25,723
Income taxes—current	6,582	7,969
Income taxes—deferred	655	(3,181)
Total income taxes	7,238	4,787
Profit	16,295	20,935
Profit attributable to owners of parent	16,295	20,935

(Quarterly Consolidated Statements of Comprehensive Income)
Three months ended June 30, 2017

(Millions of yen)

Items	Three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)
Profit	16,295	20,935
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,292)	2,326
Deferred gains or losses on hedges	(771)	88
Remeasurements of defined benefit plans, net of tax	(35)	(19)
Total other comprehensive income	(4,099)	2,395
Comprehensive income	12,195	23,331
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,195	23,331
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes Regarding Going Concern Assumption: None

(4) Segment Information

1. Three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)

A. Net Sales and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Other Business* ¹	Total	Adjustment* ²	Amount stated on the Quarterly Consolidated Statements of Income* ³
	Theme Park	Hotel	Total				
Net sales							
Sales to external customers	88,403	14,538	102,942	4,036	106,978	—	106,978
Intersegment sales or transfers	1,445	168	1,613	910	2,524	(2,524)	—
Total	89,848	14,706	104,555	4,947	109,502	(2,524)	106,978
Segment Income	20,170	2,245	22,415	337	22,753	39	22,793

Notes: 1. The “Other Business” segment, which includes the Ikspiari, monorail, and employee cafeteria businesses, is not a reportable segment.

2. The segment income adjustment amount of 39 million yen is the result of elimination of intersegment transactions.

3. The segment income is adjusted to be recorded as operating income in the Quarterly Consolidated Statements of Income.

B. Information regarding impairment loss on fixed assets and goodwill by reportable segment: None

2. Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)

A. Net Sales and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Other Business* ¹	Total	Adjustment* ²	Amount stated on the Quarterly Consolidated Statements of Income* ³
	Theme Park	Hotel	Total				
Net sales							
Sales to external customers	90,736	14,933	105,669	4,204	109,874	-	109,874
Intersegment sales or transfers	1,613	146	1,759	885	2,644	(2,644)	-
Total	92,349	15,079	107,429	5,089	112,519	(2,644)	109,874
Segment Income	21,617	2,786	24,404	626	25,031	32	25,063

Notes: 1. The “Other Business” segment, which includes the Ikspiari, monorail, and employee cafeteria businesses, is not a reportable segment.

2. The segment income adjustment amount of 32million yen is the result of elimination of intersegment transactions.

3. The segment income is adjusted to be recorded as operating income in the Quarterly Consolidated Statements of Income.

B. Information regarding impairment loss on fixed assets and goodwill by reportable segment: None

(5) Note Regarding the Occurrence of Significant Changes in Amount of Shareholders' Equity: None