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For Immediate Release

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## **Oriental Land Group's 2024 Medium-term Plan**

The Oriental Land Group ("OLC Group") hereby announces its newly formulated 2024 Medium-term Plan covering the period from FY2022 ending March 31, 2023 to FY2024 ending March 31, 2025.

The OLC Group has positioned the period covered by the 2024 Medium-term Plan as a phase to recover from the impact of the coronavirus disease 2019 (COVID-19) and execute on challenges for the future. The new Medium-term Plan will kick-start the Group's endeavor to establish a system for flexibly addressing potential environmental changes and achieve "Our Goal for 2030."

Under the 2024 Medium-term Plan, the OLC Group will give top priority to enhancing Guests' experience value while at the same time striving to restore its financial performance to put itself on a path to medium- and long-term growth.

### **1. Background to formulation of 2024 Medium-term Plan**

Conventionally, the OLC Group operated its Parks with an emphasis on welcoming as many Guests as possible. Amid the COVID-19 pandemic, however, the Parks were operated with limits imposed on attendance, which gave rise to a number of eye-opening insights.

Furthermore, the OLC Group considers it crucial to take flexible actions to address the risk of long-term business suspension, which has materialized due to the pandemic, in addition to long-recognized issues such as the shrinking consumer/working-age population resulting from a lower birth rate and population aging.

### **2. Goals set under 2024 Medium-term Plan**

#### **1) Enhance Guests' experience value**

The OLC Group will aim to offer a comfortable Park environment by bringing down the daily attendance limit to below the level before the COVID-19 pandemic started. Furthermore,

the Group will take flexible actions to meet diversifying Guest needs and roll out decisive new measures to help Guests find new experience value, thereby enhancing the value they gain from experience.

## **2) Restore financial performance**

While taking steady steps to attract Guests back to the Parks, the Group will aim to restore its financial performance in phases. By expanding its capacity through the opening of Tokyo DisneySea® Fantasy Springs and attracting Guests at a higher level, the Group will aim to achieve in FY2024 a consolidated operating profit of at least ¥100.0 billion, a record high consolidated operating cash flow, and a return on equity (ROE) of at least eight percent.

### **3. Strategies under 2024 Medium-term Plan**

#### **1) Theme Park Segment strategy**

##### **• Enhance quality of Park experience**

By bringing down the daily attendance limit from the pre-pandemic level, the OLC Group will aim to provide a Park environment that offers consistent comfort whenever Guests visit. The appeal of the Parks will be further enhanced with the addition of new contents to be launched during the new Medium-term Plan period including Tokyo DisneySea Fantasy Springs and the remodeling of existing facilities. Furthermore, the Group will offer new optional experiences in an effort to meet Guests' high expectations and needs.

The execution of such measures aims at ensuring high-quality Park experiences, which will hopefully lead to increased earnings.

##### **• Seek to even out attendance levels**

In addition to setting a lower limit on daily attendance compared with the pre-pandemic level, the OLC Group will also seek to minimize the difference in attendance levels throughout the year—that is, across weekdays, holidays, the high season and low season—and raise the overall annual attendance. The attendance in FY2024 is projected to reach around 26 million.

##### **• Establish efficient Park operations**

Reducing the maximum attendance numbers per day from the pre-pandemic level will enable the OLC Group to better control the use of required resources on an ongoing basis and establish an operational structure capable of addressing environmental changes.

#### **2) Hotel Business Segment strategy**

The OLC Group will make its hotels more appealing by providing Disney Hotel guests with services more deeply tied to its Parks and strengthened Disney contents during their stay. In

addition, Disney Hotels, which will be expanded to six hotels during the 2024 Medium-term Plan period, will be effectively leveraged as management resources by the entire resort business to establish a long-term sustainable earning base.

**3) Human resources strategy**

With the aim of increasing employees' job satisfaction and maximizing the performance of individuals and organizations, the OLC Group will develop human resources and organizations capable of enhancing Guest services with outside-the-box thinking and driving forward operational reform. In addition, the Group will also create a personnel system equipped to take flexible measures against environmental changes and consistently deliver high added value with a limited number of staff. Another initiative is to improve the digital setting to build a more comfortable workplace for employees.

**4) Investment strategy**

During the five years from FY2022 to FY2026, Tokyo DisneySea Fantasy Springs, currently under construction, will open, and existing attractions will be remodeled to increase their appeal. These measures will serve as stepping stones to rendering a complete revamp of "Space Mountain" and its surrounding environment, which will propel Tokyo Disney Resort® further forward.

Furthermore, as part of the Group's new growth strategy, management resources will also be allocated to investment for sowing seeds in new fields within and outside Tokyo Disney Resort as well as for initiatives pertaining to sustainability, including investing in human capital.

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