

# Consolidated Financial Statements for the Fiscal Year Ended March 31, 2022 (Japanese accounting standards)

April 27, 2022

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, Prime Market of the Tokyo Stock Exchange

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

Representative: Kenji Yoshida, Representative Director and President

Contact: Yutaka Yokoyama, Director of Finance/Accounting Department

Planned Date for Annual General Meeting of Stockholders: June 29, 2022

Planned Date for Submission of Securities Report (*Yuka shoken hokokusho*): June 29, 2022

Planned Date for Start of Dividend Payment: June 30, 2022

Supplementary materials for the financial statements: Yes

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

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

## 1. Consolidated Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

### (1) Consolidated Operating Results

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

	Net sales (¥ million)	Year-on-year change (%)	Operating profit (loss) (¥ million)	Year-on-year change (%)	Ordinary profit (loss) (¥ million)	Year-on-year change (%)
Fiscal Year ended March 31, 2022	275,728	61.6	7,733	—	11,278	—
Fiscal Year ended March 31, 2021	170,581	(63.3)	(45,989)	—	(49,205)	—

Note: Comprehensive income:

Fiscal year ended March 31, 2022: ¥6,144 million (—%)

Fiscal year ended March 31, 2021: ¥(49,424 million) (—%)

	Profit (Loss) attributable to owners of parent (¥ million)	Year-on- year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity (%)	Ordinary profit/total assets (%)	Operating profit/total net sales (%)
Fiscal Year ended March 31, 2022	8,067	—	24.63	24.60	1.1	1.1	2.8
Fiscal Year ended March 31, 2021	(54,190)	—	(165.51)	—	(6.9)	(4.8)	(27.0)

Reference: Equity in earnings of affiliates:

Fiscal year ended March 31, 2022: ¥(480 million)

Fiscal year ended March 31, 2021: ¥(485 million)

### Notes

(1) Earnings per share (diluted) for fiscal year ended March 31, 2021, is not indicated because net loss per share is indicated, although there are potential common shares with dilutive effects.

(2) The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current consolidated fiscal year. Figures for the fiscal year ended March 2022 are stated after the application of the said accounting standard, etc.

### (2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio(%)	Net assets per share (¥)
As of March 31, 2022	1,086,884	756,317	69.6	2,309.12
As of March 31, 2021	1,040,465	759,948	73.0	2,320.71

Reference: Shareholders' equity:

As of March 31, 2022: ¥756,317 million

As of March 31, 2021: ¥759,948 million

Note: The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current consolidated fiscal year. Figures for the fiscal year ended March 2022 are stated after the application of the said accounting standard, etc.

### (3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities (¥ million)	Net cash provided by (used in) investing activities (¥ million)	Net cash provided by (used in) financing activities (¥ million)	Cash and cash equivalents at end of period (¥ million)
Fiscal Year ended March 31, 2022	54,602	(138,984)	48,933	129,868
Fiscal Year ended March 31, 2021	(23,834)	(160,738)	88,724	165,317

## 2. Dividends

	Annual dividends (¥)					Total dividends paid (total) (¥ million)	Payout ratio (consolidated) (%)	Dividends/ Net assets (consolidated) (%)
	First quarter- end	Second quarter- end	Third quarter- end	Year- end	Total			
Fiscal Year ended March 31, 2021	—	13.00	—	13.00	26.00	8,519	—	1.1
Fiscal Year ended March 31, 2022	—	13.00	—	15.00	28.00	9,178	113.8	1.2
Fiscal Year ending March 31, 2023 (Est.)	—	15.00	—	15.00	30.00		27.9	

Note : Total dividends paid include dividends paid to the trust to the employee stock plan (Fiscal year ended March 31, 2021 ¥6 million, Fiscal year ended March 31, 2022 ¥7 million).

Payout ratio has been calculated by dividing total dividends paid by profit attributable to owners of parent.

## 3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2023

(April 1, 2022 – March 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Six months ending September 30, 2022	192,881	97.7	21,865	—	22,196	—	15,334	—	46.82
Fiscal Year ending March 31, 2023	407,922	47.9	50,251	549.8	50,601	348.7	35,244	336.8	107.61

### \*Notes

- (1) Changes in Major Subsidiaries during the Period (Changes in specified subsidiaries due to changes in the scope of consolidation): None
- (2) Changes in Accounting Policies, Changes in Accounting Estimates, or Restatement
  - (a) Changes in accounting policies due to changes in accounting standards: Yes
  - (b) Changes other than (a) above: Yes
  - (c) Changes in accounting estimates: Yes
  - (d) Restatement: None

Note: For details, please refer to Change in Accounting Policy and Changes in Accounting Policies That Are Difficult to Distinguish from Changes in Accounting Estimates in (5) Notes Regarding the Consolidated Financial Statements on page 10.

### (3) Number of Shares Issued and Outstanding (Common stock)

(a) Number of shares issued at end of period (including treasury shares)	Year ended March 31, 2022:	363,690,160 shares	Year ended March 31, 2021:	363,690,160 shares
(b) Number of treasury shares at end of period	Year ended March 31, 2022:	36,154,941 shares	Year ended March 31, 2021:	36,226,898 shares
(c) Average number of shares outstanding (quarterly cumulative period)	Year ended March 31, 2022:	327,500,931 shares	Year ended March 31, 2021:	327,421,164 shares

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

## [Reference] Non-consolidated Results

Non-consolidated Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

### (1) Non-consolidated Operating Results

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

	Net sales (¥ million)	Year-on-year change (%)	Operating profit (loss) (¥ million)	Year-on-year change (%)	Ordinary profit (loss) (¥ million)	Year-on-year change (%)
Fiscal Year ended March 31, 2022	230,902	58.1	8,071	—	11,725	—
Fiscal Year ended March 31, 2021	146,015	(63.2)	(36,405)	—	(39,184)	—

	Net profit (loss) (¥ million)	Year-on- year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)
Fiscal Year ended March 31, 2022	9,945	—	30.37	30.18
Fiscal Year ended March 31, 2021	(37,226)	—	(113.70)	—

#### Notes

- (1) Earnings per share (diluted) for fiscal year ended March 31, 2021, is not indicated because net loss per share is indicated, although there are potential common shares with dilutive effects.
- (2) The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current fiscal year. Figures for the fiscal year ended March 2022 are stated after the application of the said accounting standard, etc.

### (2) Non-consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders’ equity ratio(%)	Net assets per share (¥)
As of March 31, 2022	1,048,404	713,703	68.1	2,179.01
As of March 31, 2021	1,001,469	715,398	71.4	2,184.67

Reference: Shareholders’ equity:

As of March 31, 2022: ¥713,703 million

As of March 31, 2021: ¥715,398 million

Note: The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current fiscal year. Figures for the fiscal year ended March 2022 are stated after the application of the said accounting standard, etc.

**\* The Company’s consolidated financial statements are not subject to financial review by certified public accountants or an auditing firm.**

#### \* 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.

## 1. Operating Results

### (1) Overview of Operating Results

During the fiscal year under review, although the Japanese economy continued to be challenged by the coronavirus disease 2019 (COVID-19) pandemic, there have been some signs of recovery, partly due to the progress in vaccination, but the pickup in consumer spending has seen a stall.

As in the previous fiscal year, the OLC Group operated its Tokyo Disneyland and Tokyo DisneySea Theme Parks by limiting their attendance numbers in line with the Amusement Park and Theme Park New Coronavirus Infection Containment Guidelines and requests from the national and local governments. However, based on an individual discussion with the Chiba Prefectural Government, an approval was granted to ease the limits in and after March 1, 2022. As a result, the Parks were operated by increasing their attendance numbers in phases.

Although ongoing limits had been set on attendance at the Parks, attendance increased from the previous fiscal year when both Parks were temporarily closed in the first quarter, and net sales per Guest also grew year on year, owing in part to the positive effect of the Tokyo DisneySea 20th Anniversary events. As a result, the Group recorded net sales, operating profit, ordinary profit, and profit attributable to owners of parent of ¥275,728 million (up 61.6% from the previous fiscal year), ¥7,733 million (up from an operating loss of ¥45,989 million), ¥11,278 million (up from an ordinary loss of ¥49,205 million), and ¥8,067 million (up from a loss attributable to owners of parent of ¥54,190 million), respectively.

As a side note, the “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the current consolidated fiscal year. Figures for the fiscal year ended March 2022 are stated after the application of the said accounting standard, etc. For details, please refer to “Notes Regarding Consolidated Financial Statements (Change in Accounting Policy).”

The following is the results of each segment.

### Summary of Results by Segment for the Fiscal Year Ended March 31, 2022

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Change (decrease)	Change (%)
Net Sales	170,581	275,728	105,146	61.6
Theme Park	134,293	218,564	84,270	62.8
Hotel	28,627	47,437	18,809	65.7
Other	7,660	9,726	2,066	27.0
Operating Profit (Loss)	(45,989)	7,733	53,722	—
Theme Park	(41,982)	2,512	44,495	—
Hotel	(1,954)	6,202	8,156	—
Other	(2,312)	(1,305)	1,006	—
Elimination and Corporate	260	324	64	24.7
Ordinary Profit (Loss)	(49,205)	11,278	60,483	—
Profit (Loss) Attributable to Owners of Parent	(54,190)	8,067	62,258	—

### (2) Analysis of Consolidated Financial Position

#### [Assets]

Total assets as of March 31, 2022 were ¥1,086,884 million (up 4.5% compared with the end of the previous fiscal year). Current assets decreased to ¥271,410 million (down 1.0%) due mainly to a drop in merchandise and finished goods, etc. Non-current assets climbed to ¥815,474 million (up 6.4%) due to an increase in property, plant and equipment, etc.

#### [Liabilities]

Total liabilities as of March 31, 2022 were ¥330,567 million (up 17.8%).

Current liabilities decreased to ¥85,247 million (down 29.8%) as a result of a decline in current portion of bonds payable, etc.

Non-current liabilities grew to ¥245,320 million (up 54.1%) as a result of an increase in bonds payable, etc.

### [Net Assets]

Total net assets as of March 31, 2022 were ¥756,317 million (down 0.5%) due to various factors, including an increase in treasury shares. Shareholders' equity ratio stood at 69.6% (down 3.4 points).

### (3) Cash Flows

Despite an increase in net cash from operating and financing activities, the balance of cash and cash equivalents at the end of the fiscal year under review was ¥129,868 million (balance at the end of the previous fiscal year was ¥165,317 million) owing to a decrease in net cash from investing activities.

#### [Net Cash from Operating Activities]

Net cash provided by operating activities was ¥54,602 million (up from a net cash outflow of ¥23,834 million for the same period in the previous fiscal year) due to factors that included the posting of a profit before income taxes.

#### [Net Cash from Investing Activities]

Net cash used in investing activities was ¥138,984 million (down from a net cash outflow of ¥160,738 million for the same period in the previous fiscal year) due to factors that included an increase in proceeds from the withdrawal of time deposits.

#### [Net Cash from Financing Activities]

Net cash provided by financing activities was ¥48,933 million (down from a net cash inflow of ¥88,724 million for the same period in the previous fiscal year) due to factors that included an increase in payment for redemption of bonds.

### (4) Future Outlook

Net sales and profits are projected to increase in the fiscal year ending March 31, 2023, owing primarily to an increase in Theme Park attendance on the back of improvements in the external environment. However, with due consideration for the unclear outlook, net sales, operating profit, ordinary profit, and profit attributable to owners of parent for the fiscal year are projected to be ¥407,922 million (up 47.9% year on year), ¥50,251 million (up 549.8% year on year), ¥50,601 million (up 348.7% year on year), and ¥35,244 million (up 336.8% year on year), respectively.

The following is the forecast of each segment.

(Millions of yen)

	Results for the fiscal year ended March 31, 2022	Forecast for the fiscal year ending March 31, 2023	Change (decrease)	Change (%)
Net Sales	275,728	407,922	132,193	47.9
Theme Park	218,564	327,785	109,221	50.0
Hotel	47,437	68,125	20,687	43.6
Other	9,726	12,011	2,284	23.5
Operating Profit (Loss)	7,733	50,251	42,518	549.8
Theme Park	2,512	37,298	34,785	—
Hotel	6,202	13,144	6,942	111.9
Other	(1,305)	(419)	886	—
Elimination and Corporate	324	227	(96)	(29.8)
Ordinary Profit (Loss)	11,278	50,601	39,322	348.7
Profit (Loss) Attributable to Owners of Parent	8,067	35,244	27,176	336.8

## 2. Basic Policy on the selection of accounting standards

As the OLC group is not engaged in global business operations or capital procurement, its consolidated financial statements are formulated based on Japanese accounting standards.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2021)	At the end of the fiscal year (March 31, 2022)
<b>ASSETS</b>		
Current assets		
Cash and deposits	197,317	199,870
Notes and accounts receivable—trade	12,040	—
Notes receivable—trade	—	2
Accounts receivable—trade	—	15,373
Contract assets	—	205
Securities	33,495	34,997
Merchandise and finished goods	12,511	6,062
Work in process	118	109
Raw materials and supplies	8,901	8,783
Other	9,757	6,016
Allowance for doubtful accounts	(8)	(10)
Total current assets	274,134	271,410
Non-current assets		
Property, plant and equipment		
Buildings and structures	760,158	788,176
Accumulated depreciation	(444,747)	(465,346)
Buildings and structures, net	315,411	322,830
Machinery, equipment and vehicles	303,330	310,129
Accumulated depreciation	(255,481)	(265,298)
Machinery, equipment and vehicles, net	47,849	44,831
Land	115,890	115,890
Construction in progress	165,344	218,731
Other	106,873	108,307
Accumulated depreciation	(85,810)	(90,348)
Other, net	21,063	17,958
Total property, plant and equipment	665,557	720,241
Intangible assets		
Other	17,111	18,329
Total intangible assets	17,111	18,329
Investments and other assets		
Investment securities	49,601	46,334
Retirement benefit asset	8,857	9,628
Deferred tax assets	17,639	16,580
Other	7,660	4,455
Allowance for doubtful accounts	(97)	(95)
Total investments and other assets	83,662	76,903
Total non-current assets	766,331	815,474
Total assets	1,040,465	1,086,884

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2021)	At the end of the fiscal year (March 31, 2022)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable—trade	9,072	12,164
Current portion of bonds payable	30,000	—
Current portion of long-term borrowings	3,859	5,246
Income taxes payable	9,023	2,578
Contract liabilities	—	24,830
Other	69,414	40,427
Total current liabilities	121,370	85,247
Non-current liabilities		
Bonds payable	150,000	230,000
Long-term borrowings	2,364	7,401
Retirement benefit liability	3,030	3,641
Other	3,752	4,276
Total non-current liabilities	159,147	245,320
Total liabilities	280,517	330,567
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	63,201	63,201
Capital surplus	112,001	115,005
Retained earnings	678,792	678,566
Treasury shares	(108,771)	(113,257)
Total shareholders' equity	745,223	743,515
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,449	10,741
Deferred gains or losses on hedges	137	172
Remeasurements of defined benefit plans	2,137	1,886
Total accumulated other comprehensive income	14,724	12,801
Total net assets	759,948	756,317
Total liabilities and net assets	1,040,465	1,086,884

**(2) Consolidated Statements of Income**

(Millions of yen)

Items	Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Net sales	170,581	275,728
Cost of sales	*1 169,678	*1 209,983
Gross profit	902	65,744
Selling, general and administrative expenses	*1 46,891	*1 58,011
Operating profit (loss)	(45,989)	7,733
Non-operating income		
Interest income	67	130
Dividend income	542	523
Insurance received and insurance dividends	347	424
Subsidy income	—	*2 2,340
Surrender value of insurance policies	165	2,166
Other	710	1,029
Total non-operating income	1,833	6,614
Non-operating expenses		
Interest expenses	353	455
Share of loss of entities accounted for using equity method	485	480
Commission expenses	821	841
Depreciation	1,026	807
Other	2,362	484
Total non-operating expenses	5,049	3,069
Ordinary profit (loss)	(49,205)	11,278
Extraordinary income		
Gain on sales of investment securities	—	421
Total extraordinary income	—	421
Extraordinary losses		
Loss on temporary closure	*1 12,965	—
Impairment losses	5,633	—
Total extraordinary losses	18,598	—
Profit (loss) before income taxes	(67,804)	11,699
Income taxes—current	479	1,804
Income taxes—deferred	(14,092)	1,826
Total income taxes	(13,613)	3,631
Profit (loss)	(54,190)	8,067
Profit (loss) attributable to owners of parent	(54,190)	8,067



**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

Items	Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Profit (loss)	(54,190)	8,067
Other comprehensive income		
Valuation difference on available-for-sale securities	2,826	(1,707)
Deferred gains or losses on hedges	63	34
Remeasurements of defined benefit plans, net of tax	1,876	(251)
Total other comprehensive income	4,766	(1,923)
Comprehensive income	(49,424)	6,144
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(49,424)	6,144
Comprehensive income attributable to non-controlling interests	—	—

### (3) Consolidated Statements of Changes in Net Assets

Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	63,201	111,970	744,452	(109,325)	810,298
Cumulative effects of changes in accounting policies					—
Restated balance	63,201	111,970	744,452	(109,325)	810,298
Changes during period					
Dividends of surplus			(11,469)		(11,469)
Profit (Loss) attributable to owners of parent			(54,190)		(54,190)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		30		555	586
Net changes in items other than shareholders' equity					
Total changes during period	—	30	(65,660)	553	(65,075)
Balance at end of period	63,201	112,001	678,792	(108,771)	745,223

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	9,623	74	261	9,958	820,257
Cumulative effects of changes in accounting policies					—
Restated balance	9,623	74	261	9,958	820,257
Changes during period					
Dividends of surplus					(11,469)
Profit (Loss) attributable to owners of parent					(54,190)
Purchase of treasury shares					(1)
Disposal of treasury shares					586
Net changes in items other than shareholders' equity	2,826	63	1,876	4,766	4,766
Total changes during period	2,826	63	1,876	4,766	(60,308)
Balance at end of period	12,449	137	2,137	14,724	759,948

Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	63,201	112,001	678,792	(108,771)	745,223
Cumulative effects of changes in accounting policies			226		226
Restated balance	63,201	112,001	679,018	(108,771)	745,449
Changes during period					
Dividends of surplus			(8,519)		(8,519)
Profit (Loss) attributable to owners of parent			8,067		8,067
Purchase of treasury shares				(6,772)	(6,772)
Disposal of treasury shares		3,004		2,285	5,290
Net changes in items other than shareholders' equity					
Total changes during period	—	3,004	(452)	(4,486)	(1,934)
Balance at end of period	63,201	115,005	678,566	(113,257)	743,515

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	12,449	137	2,137	14,724	759,948
Cumulative effects of changes in accounting policies					226
Restated balance	12,449	137	2,137	14,724	760,174
Changes during period					
Dividends of surplus					(8,519)
Profit (Loss) attributable to owners of parent					8,067
Purchase of treasury shares					(6,772)
Disposal of treasury shares					5,290
Net changes in items other than shareholders' equity	(1,707)	34	(251)	(1,923)	(1,923)
Total changes during period	(1,707)	34	(251)	(1,923)	(3,857)
Balance at end of period	10,741	172	1,886	12,801	756,317

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Cash flows from operating activities		
Profit (loss) before income taxes	(67,804)	11,699
Depreciation	45,899	44,103
Impairment losses	5,633	—
Increase (decrease) in retirement benefit liability	(304)	482
Interest and dividend income	(610)	(653)
Surrender value of insurance policies	—	(2,166)
Interest expenses	353	455
Foreign exchange losses (gains)	0	(0)
Shares of loss (profit) of entities accounted for using equity method	485	480
Loss (gain) on sales of investment securities	(0)	(429)
Decrease (increase) in trade receivables	(5,008)	(2,119)
Decrease (increase) in inventories	(1,441)	5,363
Increase (decrease) in trade payables	(5,260)	970
Increase (decrease) in accrued consumption taxes	1,608	9,161
Other, net	2,678	(5,537)
Subtotal	(23,770)	61,810
Interest and dividends received	672	629
Interest paid	(347)	(455)
Income taxes paid	(389)	(7,383)
Net cash provided by (used in) operating activities	(23,834)	54,602
Cash flows from investing activities		
Payments into time deposits	(70,000)	(310,000)
Proceeds from withdrawal of time deposits	31,000	260,000
Purchase of securities	(40,997)	(32,997)
Proceeds from redemption of securities	36,999	43,499
Purchase of property, plant and equipment	(111,607)	(98,838)
Purchase of intangible assets	(5,342)	(6,363)
Purchase of investment securities	(455)	(551)
Proceeds from sales of investment securities	—	1,876
Other, net	(334)	4,391
Net cash provided by (used in) investing activities	(160,738)	(138,984)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,736	6,773
Repayments of long-term borrowings	(4,580)	(350)
Proceeds from issuance of bonds	99,707	79,820
Redemption of bonds	—	(30,000)
Dividends paid	(11,439)	(8,511)
Purchase of treasury shares	(1)	(142)
Proceeds from sales of treasury shares	1,314	1,345
Other, net	(10)	(1)
Net cash provided by (used in) financing activities	88,724	48,933
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	(95,847)	(35,448)
Cash and cash equivalents at beginning of period	261,164	165,317
Cash and cash equivalents at end of period	165,317	129,868

## (5) Notes Regarding Consolidated Financial Statements

Notes Regarding Going Concern Assumption: None

### Change in Accounting Policy

Application of the Accounting Standard for Revenue Recognition, etc.

The “Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020). Hereinafter, “Accounting Standard for Revenue Recognition”), etc. has been applied since the beginning of the current consolidated fiscal year. In accordance with this accounting standard, the Company recognizes revenue as the amount expected to be received in exchange for the promised goods or services when the control of the goods or services is transferred to the customer.

The application of the Accounting Standard for Revenue Recognition is pursuant to the transitional treatment stipulated in the proviso of Paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect when applying the new accounting policy retrospectively from before the beginning of the current consolidated fiscal year is added to or subtracted from the retained earnings at the beginning of the current consolidated fiscal year before applying the new accounting policy from the beginning-of-year balance.

“Notes and accounts receivable—trade,” which was included in “current assets” in the consolidated balance sheets for the previous fiscal year, has been included in “notes receivable-trade,” “accounts receivable-trade,” and “contract assets” from the current fiscal year, and “other,” which was included in “current liabilities,” has been included in “contract liabilities” and “other” from the current fiscal year. However, in accordance with the transitional treatment set forth in No. 89, Paragraph 2 of the Accounting Standard for Revenue Recognition, no reclassifications have been made for the previous fiscal year using a new presentation method.

The effect of this change on the consolidated financial statements and per share information is immaterial.

In accordance with the transitional treatment set forth in No. 89, Paragraph 3 of the Accounting Standard for Revenue Recognition, information on the breakdown of revenue arising from contracts with customers for the previous fiscal year is not presented.

Application of Accounting Standard for Fair Value Measurement, etc.

The “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019), etc. have been applied since the beginning of the current consolidated fiscal year. In accordance with the transitional treatment prescribed in Paragraph 19 of the “Accounting Standard for Fair Value Measurement” and Paragraph 44–2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company has decided to apply the new accounting policies set forth by the Accounting Standard for Fair Value Measurement, etc. in the future.

These changes had no impact on the Company’s consolidated financial statements.

### Changes in Accounting Policies That Are Difficult to Distinguish from Changes in Accounting Estimates

#### Changes in Depreciation Method for Property, Plant and Equipment

While the Company had previously adopted the declining-balance method mainly for depreciation of property, plant and equipment of Tokyo Disneyland (however, the straight-line method had been applied for buildings acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016), the method was changed to the straight-line method from the current consolidated fiscal year.

The business environment surrounding the Company is currently undergoing major changes due to the impact of COVID-19, in addition to demographic changes such as the declining birthrate and aging population. Against this backdrop, we examined the effects of attracting guests to the facility during the period between fiscal 2020 and fiscal 2021, in the wake of the opening of large-scale development areas in Tokyo Disneyland, which was the largest investment since the opening of the park. As a result, since Tokyo Disneyland is expected to operate stably and contribute to earnings for a long period of time similarly to Tokyo DisneySea, which adopts the straight-line method, we judged that it will become possible to reflect the actual conditions of the parks more adequately on the Company’s financial statements by unifying the depreciation methods.

As a result of this change, for the current consolidated fiscal year, operating profit increased by 6,038 million yen, and ordinary profit and profit before income taxes increased by 6,086 million yen, respectively, compared with the previous method.

## Additional Information

### Impact of COVID-19

The OLC Group's Theme Parks, which constitute its core business, take measures primarily based on the sector-wide guidelines for preventing the spread of COVID-19, and we currently limit our daily attendance. It may take some time before demand recovers, depending on the external environment including trends in consumer sentiment for leisure activities. As such, the situation of the spread of COVID-19 is expected to exert a material impact on our consolidated financial results in the fiscal year ending March 31, 2023.

### Significant accounting estimates and underlying assumptions

As of the end of the previous fiscal year and the end of the first quarter of the current fiscal year ended March 2022, the OLC Group made various consolidated accounting estimates on the assumption that the COVID-19 pandemic will linger for a certain period during the current fiscal year.

From the second quarter ended September 30, 2021, in view of the prolonged impact of the COVID-19 pandemic, we revised our assumption to deem that the impact will remain for a certain period in the next fiscal year, based on which we have made consolidated accounting estimates on realizability of deferred tax assets. As a result, we revised our assessment on the realizability of deferred tax assets and have recorded a partial reversal of our deferred tax assets. However, the impact of this revision on the Company's consolidated financial statements is minor.

We make estimates and judgments deemed to be rational in view of the current situation and available information, but given the highly uncertain outlook of the COVID-19 pandemic including the extent of its spread and when it will end, the pandemic may exert further impact on the consolidated financial results in and after the next fiscal year in the event that the impact is more prolonged or exacerbated than is expected.

## Matters Concerning Consolidated Statements of Income

### \*1 Employment adjustment subsidies

The OLC Group has been applied to special case of employment adjustment subsidy for paid treatments to prevent the spread of the COVID-19 pandemic.

As a result, the employment adjustment subsidy received or expected to be received from the government has been registered by deducting 7,987 million yen, 1,212 million yen, and 13,109 million yen from the cost of sales, selling, general and administrative expenses, and extraordinary loss, respectively, in the previous fiscal year ended March 31, 2021; furthermore, in the current fiscal year under review, 8,087 million yen and 203 million yen are deducted from the cost of sales and selling, general and administrative expenses respectively.

### \*2 Subsidy income

This is the income from the subsidies for cooperation paid by local governments for the reduction of operating hours in an effort to prevent the spread of COVID-19.

## Segment Information

### 1. Overview of Reportable Segments

The Company's reportable segments are components of the Company for which separate financial information is available and for which the Board of Directors conducts regular reviews to determine allocation of management resources and assess financial performance.

Because the main business of the Company and its affiliates is the management and operation of Theme Parks and hotels, etc., "Theme Park" and "Hotel" are designated as the Company's reportable segments in consideration of the types and nature of services and the similarity of sales markets.

The Theme Park Segment manages and operates Theme Parks. The Hotel Segment manages and operates hotels.

### 2. Method of calculating the amounts of net sales, profit or loss, assets and other items for each reportable segment

The method of accounting for the reported business segments is in accordance with the accounting policies adopted for the preparation of the consolidated financial statements.

Reportable segment profit or loss, which is indicated with parentheses ( ), is based on operating profit.

Internal revenue and transfers between segments are based on prevailing market prices.

Application of the Accounting Standard for Revenue Recognition, etc.

As described in “Notes Regarding Consolidated Financial Statements (Change in Accounting Policy),” “Accounting Standard for Revenue Recognition,” etc. has been applied since the beginning of the current consolidated fiscal year, and the Company revised the accounting method for revenue recognition as well as method for measuring profit or loss for its business segments. The impact of this revision on the Company’s consolidated financial statements is minor.

Changes in Depreciation Method for Property, Plant and Equipment

As described in “Notes Regarding Consolidated Financial Statements (Changes in Accounting Policies That Are Difficult to Distinguish from Changes in Accounting Estimates),” while the Company had previously adopted the declining-balance method mainly for depreciation of property, plant and equipment of Tokyo Disneyland (however, the straight-line method had been applied for buildings acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016), the method was changed to the straight-line method from the current consolidated fiscal year.

As a result of this change, for the current consolidated fiscal year, segment profit of Theme Park and Hotel increased by 6,024 million yen and 8 million yen, respectively, and segment loss of Other Business decreased by 5 million yen, compared with the previous method.

### 3. Net Sales, Profit (Loss), Assets and Other Items by Reportable Segment and Breakdown of Revenue

Previous Consolidated Fiscal Year (April 1, 2020 to March 31, 2021)

	Reportable Segments			Other Business* <sup>1</sup>	Total	Adjustment* <sup>2</sup>	Amount stated on the Consolidated Statements of Income* <sup>3</sup>
	Theme Park	Hotel	Total				
Net sales							
Sales to external customers	134,293	28,627	162,921	7,660	170,581	—	170,581
Intersegment sales or transfers	3,682	359	4,041	3,651	7,692	(7,692)	—
Total	137,975	28,986	166,962	11,311	178,274	(7,692)	170,581
Segment profit (loss)	(41,982)	(1,954)	(43,937)	(2,312)	(46,249)	260	(45,989)
Segment assets	748,559	104,187	852,747	47,653	900,400	140,065	1,040,465
Other items* <sup>4</sup>							
Depreciation and amortization	30,894	3,051	33,945	2,787	36,733	(45)	36,687
Impairment losses	—	5,633	5,633	—	5,633	—	5,633
Increase in property, plant and equipment and intangible assets	77,795	26,716	104,511	3,811	108,322	—	108,322

(Millions of yen)

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

2-1. The segment profit (loss) adjustment amount of 260 million yen is the result of elimination of intersegment transactions.

2-2. Adjustments to segment assets of ¥140,065 million include intersegment eliminations of ¥(3,031 million) and unallocated corporate assets of ¥143,096 million. Corporate assets mainly consist of surplus investment funds (time deposits and securities) and long-term investment funds (investment securities) of the parent company.

3. The segment profit (loss) is adjusted to be recorded as operating profit (loss) in the Consolidated Statements of Income.

4. Other items include the amortization, impairment and increase in long-term prepaid expenses.

## Current Consolidated Fiscal Year (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Reportable Segments			Other Business* <sup>1</sup>	Total	Adjustment* <sup>2</sup>	Amount stated on the Consolidated Statements of Income* <sup>3</sup>
	Theme Park	Hotel	Total				
Net sales							
Attractions and shows	107,338	—	107,338	—	107,338	—	107,338
Merchandise	67,408	—	67,408	—	67,408	—	67,408
Food and beverages	39,165	—	39,165	—	39,165	—	39,165
Other revenue	4,652	—	4,652	—	4,652	—	4,652
Hotel	—	47,437	47,437	—	47,437	—	47,437
Other	—	—	—	9,726	9,726	—	9,726
Sales to external customers	218,564	47,437	266,001	9,726	275,728	—	275,728
Intersegment sales or transfers	6,248	551	6,799	3,826	10,626	(10,626)	—
Total	224,812	47,988	272,801	13,553	286,355	(10,626)	275,728
Segment profit (loss)	2,512	6,202	8,714	(1,305)	7,408	324	7,733
Segment assets	719,461	140,133	859,595	45,925	905,521	181,363	1,086,884
Other items* <sup>4</sup>							
Depreciation and amortization	36,500	3,608	40,108	3,237	43,346	(50)	43,296
Increase in property, plant and equipment and intangible assets	60,871	37,793	98,664	1,923	100,588	(319)	100,269

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

2-1. The segment profit (loss) adjustment amount of 324 million yen is the result of elimination of intersegment transactions.

2-2. Adjustments to segment assets of ¥181,363 million include intersegment eliminations of ¥(4,968 million) and unallocated corporate assets of ¥186,331 million. Corporate assets mainly consist of surplus investment funds (time deposits and securities) and long-term investment funds (investment securities) of the parent company.

3. The segment profit (loss) is adjusted to be recorded as operating profit (loss) in the Consolidated Statements of Income.

4. Other items include the amortization and increase in long-term prepaid expenses.



## Per Share Information

	Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Net assets per share	2,320.71	2,309.12
Earnings (loss) per share	(165.51)	24.63
Earnings per share (diluted)	—	24.60

- Notes: 1. Earnings per share (diluted) for the previous consolidated fiscal year is not stated because a net loss per share was recorded despite the existence of dilutive shares.  
2. Earnings (loss) per share and earnings per share (diluted) were calculated on the basis of the following data.

	Fiscal Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Fiscal Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Earnings (loss) per share		
Profit (loss) attributable to owners of parent (¥ million)	(54,190)	8,067
Amount not attributable to shareholders of common stock (¥ million)	—	—
Profit (loss) related to common stock attributable to owners of parent (¥ million)	(54,190)	8,067
Average number of common stock shares outstanding (quarterly cumulative period) (thousand shares)	327,421	327,500
Earnings per share (diluted)		
Adjustment to profit attributable to owners of parent (¥ million)	—	211
(Of which, commission expenses (after deducting tax equivalent) (¥ million))	—	(211)
Number of additional common stock shares (thousand shares)	—	9,079
(Of which, share acquisition rights (thousand shares))	—	(9,079)
Outline of dilutive shares not included in the calculation of earnings per share (diluted) due to lack of dilutive effect	—	—

- Notes: The number of treasury shares, which is deducted from the total number of shares issues at end of period when calculating net assets per share, includes the Company's shares held by the ESOP trust account of the employee stock plan (225 thousand shares in the previous fiscal year and 332 thousand shares in the current fiscal year). In addition, the number of treasury shares, which is deducted from the average number of outstanding (quarterly cumulative period) when calculating earnings (loss) per share and earnings per share (diluted), includes the Company's shares held by the ESOP trust account of the employee stock plan (267 thousand shares in the previous fiscal year and 241 thousand shares in the current fiscal year).

Significant Subsequent Event: None