

Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2015 (Japanese accounting standards)

July 29, 2014

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

Contact: Kenji Yoshida, Director of Finance/Accounting Department

Planned Date for Submission of the Quarterly Report: August 13, 2014

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, 2015 (April 1, 2014 to June 30, 2014)

(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, 2014	104,236	(2.6)	24,774	(4.2)	25,396	(2.6)
Three months ended June 30, 2013	107,062	22.4	25,863	53.6	26,063	55.1

Note: Comprehensive income:

Three months ended June 30, 2014: ¥18,425 million (11.6%)

Three months ended June 30, 2013: ¥16,512 million (44.6%)

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Diluted earnings per share (¥)
Three months ended June 30, 2014	17,138	5.3	205.25	198.51
Three months ended June 30, 2013	16,276	39.6	194.99	188.07

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net assets per share (¥)
As of June 30, 2014	645,530	505,400	78.3	6,052.37
As of March 31, 2014	664,538	493,697	74.3	5,912.53

Reference: Shareholders' equity:

As of June 30, 2014: ¥505,400 million

As of March 31, 2014: ¥493,697 million

2. Dividends

	Annual dividends (¥)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Fiscal year ended March 31, 2014	—	60.00	—	60.00	120.00
Fiscal year ending March 31, 2015	—	—	—	—	—
Fiscal year ending March 31, 2015(Est.)	—	60.00	—	60.00	120.00

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

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)

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

	Net sales		Operating income		Ordinary income		Net income		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Six months ending September 30, 2014	200,660	(12.8)	36,890	(36.9)	37,640	(34.6)	25,390	(29.4)	304.06
Fiscal Year ending March 31, 2015	417,640	(11.8)	83,170	(27.4)	84,140	(25.3)	55,530	(21.3)	664.99

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

*Notes

(1) Changes in Major Subsidiaries during the Three Months Ended June 30, 2014: 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: Yes

(b) Changes in accounting policies due to other than (a) above: None

(c) Changes in accounting estimates: None

(d) Restatement: None

Note: For details, see “1. Matters Concerning Summary Information (Notes) Changes in Accounting Policies” on page 1 of the attached material.

(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, 2014:	90,922,540 shares	Year ended March 31, 2014:	90,922,540 shares
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(b) Number of treasury stock at end of period

Three months ended June 30, 2014:	7,417,994 shares	Year ended March 31, 2014:	7,422,294 shares
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(c) Average number of shares outstanding (quarterly cumulative period)

Three months ended June 30, 2014:	83,503,119 shares	Three months ended June 30, 2013:	83,472,468 shares
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* Statement concerning the Status of Quarterly Financial Review Procedures

These Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2015 are not subject to quarterly financial review under the Financial Instruments and Exchange Act. At the time of disclosing these Consolidated Financial Statements, financial review procedures specified in the Financial Instruments and Exchange Act have not been completed with respect to the quarterly consolidated financial statements.

* 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. Matters Concerning Summary Information (Notes)

Changes in Accounting Policies

(Application of Accounting Standards, etc. for Retirement Benefits)

The Company has applied the “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No. 26 issued on May 17, 2012, hereinafter, the “Accounting Standard for Retirement Benefits”) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25 issued on May 17, 2012, hereinafter, the “Retirement Benefits Guidance”) from the first quarter of the current fiscal year with regard to the provisions stipulated in the text from Item 35 of the Accounting Standard for Retirement Benefits and the text from Item 67 of the Retirement Benefits Guidance. Accordingly, the Company reviewed the calculation method of retirement benefit obligations and service costs, changed the method of attribution period for estimated amount of retirement benefits from the service period basis to the benefit formula, and changed the method of determining the discount rate from a method using the discount rate based on the approximate number of years of the average remaining service period of employees to a method using the weighted average discount rate.

The application of the accounting standard for retirement benefits, etc. conforms with the transitional treatment stipulated in Item 37 of the Accounting Standard for Retirement Benefits, and the effect of the change in calculation method of retirement benefit obligations and service costs is adjusted in retained earnings at the beginning of the first quarter of the current fiscal year.

As a result, investments and other assets—other decreased by 2,096 million yen, net defined benefit liability increased by 7 million yen, and retained earnings decreased by 1,359 million yen at the beginning of the first quarter of the current fiscal year. In addition, operating income, ordinary income and income before income taxes and minority interests for the first quarter of the current fiscal year increased by 22 million yen, respectively.

(Application of Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts)

The Company has applied the Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts (Practical Issue Task Force (PITF) No. 30 issued on December 25, 2013) from the first quarter of the current fiscal year. Accordingly, the Company recognized the difference arising from the disposal of treasury shares by the Company to the trust, and posted as liabilities the net amount of gain or loss from sales of shares sold by the trust to the employee stock ownership plan (ESOP), dividends paid by the Company for the shares held by the trust and miscellaneous expenses related to the trust. Since the effect of this change in accounting policies is immaterial, the Company has not applied the revisions retrospectively.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2014)	At the end of the First quarter (June 30, 2014)
	Amount	Amount
ASSETS		
Current assets		
Cash and deposits	93,518	90,952
Notes and accounts receivable—trade	20,750	16,491
Sort-term investment securities	36,509	25,499
Merchandise and finished goods	9,371	10,751
Work in process	57	124
Raw materials and supplies	5,180	5,019
Other	8,965	9,418
Allowance for doubtful accounts	(1)	(1)
Total current assets	174,352	158,254
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	285,990	282,633
Machinery, equipment and vehicles, net	30,974	29,554
Land	107,976	107,976
Construction in progress	5,962	6,815
Other, net	7,884	8,208
Total property, plant and equipment	438,788	435,187
Intangible assets		
Other	9,734	9,984
Total intangible assets	9,734	9,984
Investments and other assets		
Investment securities	33,478	35,918
Other	8,305	6,304
Allowance for doubtful accounts	(120)	(120)
Total investments and other assets	41,664	42,103
Total noncurrent assets	490,186	487,275
Total assets	664,538	645,530

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2014)	At the end of the First quarter (June 30, 2014)
	Amount	Amount
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	20,216	12,038
Current portion of long-term loans payable	5,579	5,584
Income taxes payable	27,240	8,099
Reserve for loss on disaster	106	106
Other	56,563	53,310
Total current liabilities	109,706	79,141
Noncurrent liabilities		
Long-term loans payable	52,849	52,749
Net defined benefit liability	2,930	3,012
Other	5,355	5,226
Total noncurrent liabilities	61,135	60,988
Total liabilities	170,841	140,129
NET ASSETS		
Shareholders' equity		
Capital stock	63,201	63,201
Capital surplus	111,860	111,911
Retained earnings	358,955	369,652
Treasury stock	(46,684)	(47,016)
Total shareholders' equity	487,332	497,748
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,014	7,409
Remeasurements of defined benefit plans	350	243
Total accumulated other comprehensive income	6,365	7,652
Total net assets	493,697	505,400
Total liabilities and net assets	664,538	645,530

(2) Quarterly Consolidated Statements of (Comprehensive) Income
(Quarterly Consolidated Statements of Income)
Three months ended June 30, 2014

(Millions of yen)

Items	Three months ended June 30, 2013 (April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (April 1, 2014 to June 30, 2014)
Net sales	107,062	104,236
Cost of sales	67,518	65,841
Gross profit	39,544	38,395
Selling, general and administrative expenses	13,680	13,621
Operating income	25,863	24,774
Non-operating income		
Interest income	94	82
Dividends income	285	303
Equity in earnings of affiliates	36	34
Insurance and dividends income	60	47
Other	188	332
Total non-operating income	665	799
Non-operating expenses		
Interest expenses	353	102
Commission fee	63	63
Other	48	11
Total non-operating expenses	465	177
Ordinary income	26,063	25,396
Income before income taxes and minority interests	26,063	25,396
Income taxes—current	9,875	8,186
Income taxes—deferred	(88)	70
Total income taxes	9,787	8,257
Income before minority interests	16,276	17,138
Net income	16,276	17,138

(Quarterly Consolidated Statements of Comprehensive Income)
Three months ended June 30, 2014

(Millions of yen)

Items	Three months ended June 30, 2013 (April 1, 2013 to June 30, 2013)	Three months ended June 30, 2014 (April 1, 2014 to June 30, 2014)
Income before minority interests	16,276	17,138
Other comprehensive income		
Valuation difference on available-for-sale securities	236	1,394
Remeasurements of defined benefit plans, net of tax	—	(107)
Total other comprehensive income	236	1,287
Comprehensive income	16,512	18,425

(3) Notes Regarding Going Concern Assumption: None

(4) Segment Information

(Segment Information)

1. Three months ended June 30, 2013 (April 1, 2013 to June 30, 2013)

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	88,117	14,884	103,002	4,060	107,062	—	107,062
Intersegment sales or transfers	1,425	183	1,609	886	2,496	(2,496)	—
Total	89,543	15,068	104,611	4,947	109,559	(2,496)	107,062
Segment Income	22,180	3,328	25,508	322	25,830	32	25,863

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 32 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, 2014 (April 1, 2014 to June 30, 2014)

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	86,153	13,905	100,059	4,177	104,236	—	104,236
Intersegment sales or transfers	1,469	150	1,620	884	2,505	(2,505)	—
Total	87,623	14,056	101,679	5,062	106,742	(2,505)	104,236
Segment Income	21,848	2,541	24,390	354	24,744	29	24,774

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 29 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

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