Consolidated Financial Statements for the Fiscal Year Ended March 31, 2011 (Japanese accounting standards)

May 6, 2011

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
Representative: Kyoichiro Uenishi, Representative Director and President
Contact: Kenji Yoshida, Director of Finance/Accounting Department
Planned Date for Annual General Meeting of Stockholders: June 29, 2011
Planned Date for Submission of the Quarterly Report: June 29, 2011
Planned Date for Start of Dividend Payment: June 30, 2011
Supplementary materials for the quarterly financial statements: Yes
Briefing session on quarterly financial results: Yes (for institutional investors)

1. Consolidated Results for the Fiscal Year Ended March 31, 2011 (April 1, 2010 to March 31, 2011)

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

(1) Consolidated Operating Results

(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 (%)
Fiscal Year ended March 31, 2011	356,180	(4.1)	53,664	28.0	52,887	29.8
Fiscal Year ended March 31, 2010	371,414	(4.6)	41,924	4.6	40,758	5.0

(Note) Comprehensive income:
Fiscal year ended March 31, 2011: ¥21,931million ((16.2)%)
Fiscal year ended March 31, 2010: ¥26,162million (—%)

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)	Return on equity (%)	Ordinary income/total assets (%)	Operating income/total net sales (%)
Fiscal Year ended March 31, 2011	22,907	(9.9)	265.26	—	6.3	8.9	15.1
Fiscal Year ended March 31, 2010	25,427	40.6	280.17	—	6.9	6.5	11.3

(Reference) Equity in earnings of affiliates: Fiscal year ended March 31, 2011: ¥37 million; Fiscal year ended March 31, 2010: ¥52 million

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net assets per share (¥)
As of March 31, 2011	574,634	357,778	62.3	4,288.99
As of March 31, 2010	615,090	366,473	59.6	4,240.59

(Reference) Shareholders' equity: As of March 31, 2011: ¥357,770 million; As of March 31, 2010: ¥366,454 million

(3) Consolidated Cash Flows

	Net cash provided by 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, 2011	74,327	(25,218)	(60,971)	35,386
Fiscal Year ended March 31, 2010	72,094	(22,726)	(53,081)	47,233

2. Dividends

	Dividends per share (¥)					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, 2010	—	40.00	—	60.00	100.00	8,821	35.7	2.4
Fiscal Year ended March 31, 2011	—	50.00	—	50.00	100.00	8,491	37.7	2.3
Fiscal Year ending March 31, 2012 (Est.)	—	—	—	—	—		—	

(Note) Breakdown of year-end dividend for the fiscal year ended March 31, 2010:
Common dividend ¥50.00 per share
Commemorative dividend ¥10.00 per share

(Note) For the second quarter and year-end dividend for the fiscal year ending March 31, 2012, we do not present any specific figures, given the difficulties in creating a rational forecast at this point in time. OLC's policy on dividends etc. is outlined on page 6 under "(3) Basic Policy on Distribution of Profit and Dividends for the Fiscal Years Ended March 31, 2011 and Ending March 31, 2012, 1. Operating Results."

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012)

We do not present a forecast for the fiscal year ending March 31, 2012, given the difficulties in creating a reasonable forecast at this point in time. An outline of the current situation is given on page 4 under "Forecast of Results for the Fiscal Year Ending March 31, 2012, (1) Analysis of Operating Results, 1. Operating Results."

4. Other

(1) Changes in Major Subsidiaries during the period (Changes in specified subsidiaries due to changes in the scope of consolidation): None
New: — companies (Company name:)
Eliminated: — companies (Company name:)

(2) Changes in Accounting Rules, Procedures, Presentation Method, etc.
(a) Changes in consolidated accounting methods: Yes
(b) Changes other than (a) above: None

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

(a) Number of shares issued at end of period (including treasury stock)	Year ended March 31, 2011:	90,922,540 shares	Year ended March 31, 2010:	90,922,540 shares
(b) Number of treasury stock at end of period	Year ended March 31, 2011:	7,506,574 shares	Year ended March 31, 2010:	4,506,474 shares
(c) Average number of shares outstanding	Year ended March 31, 2011:	86,358,473 shares	Year ended March 31, 2010:	90,756,511 shares

* Statement concerning the Status of Audit Procedures
These Consolidated Financial Statements for the Fiscal Year Ended March 31, 2011 are not subject to audit procedures under the Financial Instruments and Exchange Act. At the time of disclosing these Consolidated Financial Statements, audit procedures specified in the Financial Instruments and Exchange Act have not been completed with respect to the 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. Due to various factors, cases may occur where the actual results and other situations differ materially from the projections.

1. Operating Results

(1) Analysis of Operating Results

In the fiscal year ended March 31, 2011, corporate earnings in Japan began a recovery trend, sustained by effective economic policies and improvements in the economic environment, including the recovery of exports. Consumer spending, however, remained sluggish, reflecting such factors as the deteriorating employment and income conditions. In addition, we are concerned that the Great East Japan Earthquake will exert various negative influences in the days ahead.

Under these circumstances, the financial performance of the OLC Group was favorable up until the end of the third quarter, significantly exceeding the results of the same period of the previous fiscal year. The strong performance was attributable to the fact that events held at the two theme parks were successful and Tokyo DisneySea's fan base continued to expand in the Theme Park Segment, the mainstay business of the Group. However, in light of external factors, namely, the Great East Japan Earthquake and subsequent power shortages, we suspended operations of all facilities at Tokyo Disney Resort.

As a result, net sales decreased by 4.1% year on year to ¥356,180 million. However, due to reductions in the cost of merchandise ratio, cost of food/beverages ratio, and depreciation and amortization expenses, operating income increased by 28.0% to ¥53,664 million and ordinary income climbed by 29.8% to ¥52,887 million. Meanwhile, net income declined by 9.9% to ¥22,907 million owing in part to the fact that extraordinary expenses such as fixed expenses (including personnel expenses and depreciation and amortization expenses) incurred during suspension of operations, facility restoration expenses, and merchandise disposal loss were recorded as a result of the recent disaster.

There were no human casualties or injuries caused by the disaster among our customers or employees. The buildings and facilities at the theme parks and other sites were also spared serious damage and no liquefaction phenomenon was observed with the exception of a portion of the flat parking area.

A. Summary of Results by Segment for the Fiscal Year Ended March 31, 2011

(Millions of yen)

	Fiscal Year ended March 31, 2010	Fiscal Year ended March 31, 2011	Increase (decrease)	Change from previous period (%)
Net Sales	371,414	356,180	(15,233)	(4.1)
Theme Park Segment	287,320	290,478	3,157	1.1
Hotel Business Segment	45,230	44,004	(1,225)	(2.7)
Retail Business Segment	14,760	—	(14,760)	—
Other Business Segment	24,102	21,697	(2,405)	(10.0)
Operating Income (Operating Loss)	41,924	53,664	11,740	28.0
Theme Park Segment	33,235	46,206	12,971	39.0
Hotel Business Segment	8,403	8,422	18	0.2
Retail Business Segment	20	—	(20)	—
Other Business Segment	(86)	(1,205)	(1,119)	—
Elimination and Corporate	350	240	(109)	(31.3)
Ordinary Income	40,758	52,887	12,129	29.8
Net Income	25,427	22,907	(2,519)	(9.9)

*The Retail Business was transferred to The Walt Disney Company (Japan) Ltd. as of March 31, 2010.

[Theme Park Segment] Tokyo Disneyland, Tokyo DisneySea and others

Despite a fall in theme park attendance due to theme park closure, net sales and operating income increased year on year owing to a growth in net sales per guest and reductions in expenses.

Net Sales ¥290,478 million (up 1.1% from the previous fiscal year)

Throughout the fiscal year ended March 31, 2011, as in past years, we held a variety of special events at the two theme parks. "Disney's Easter Wonderland," the first Easter-themed special event, was held at Tokyo Disneyland in spring and, from autumn, special events such as Halloween and Christmas were rolled out at both theme parks. On July 1, 2010, "Captain EO" was reintroduced at Tokyo Disneyland and the new attraction "Mickey's PhilharMagic" was opened on January 24, 2011.

Driven by such successful initiatives, as well as the ongoing trend of expansion in the Tokyo DisneySea fan base plus favorable weather, until the Great East Japan Earthquake struck we were achieving strong financial performance that significantly exceeded the results of the previous term. Consequent to the disaster, the two theme parks closed for 20 days, causing total theme park attendance for the two parks combined to decline by 1.8% to 25,366 thousand guests.

Net sales per guest were a new record high of ¥10,022 (up 2.9%). Ticket receipts per guest were ¥4,217 (up 0.3%). Merchandise sales per guest were ¥3,629 (up 7.5%). Food and beverage sales per guest were ¥2,176 (up 0.7%).

Despite the decline in theme park attendance, net sales for the Theme Park Segment rose as a whole owing to increased net sales per guest.

Operating Income **¥46,206 million (up 39.0%)**

Operating income increased due to reductions in the cost of merchandise ratio, cost of food/beverages ratio, personnel expenses, and depreciation and amortization expenses, in addition to an increase in net sales.

[Hotel Business Segment] Tokyo Disneyland Hotel, Tokyo DisneySea Hotel MiraCosta and others
Despite a decrease in net sales due to the suspension of operations, operating income increased as a result of a decrease in depreciation and amortization expenses, among other factors.

Net Sales **¥44,004 million (down 2.7%)**

During the fiscal year under review, we offered the popular "Tokyo Disney Resort Multi-Day Passport Special" at three Disney Hotels as a standard practice for all hotel guests, continuing from the previous fiscal year. We also continued implementing the "Tokyo Disneyland 'Happy 15' Entry" program, under which hotel guests are allowed to enter Tokyo Disneyland 15 minutes earlier.

The robust theme park attendance, among other factors, resulted in the occupancy rates of each hotel rising above those of the previous fiscal year. Up until March 11, 2011, the occupancy rates were approximately 90% for Tokyo Disneyland Hotel, in the mid-90% range for Tokyo DisneySea Hotel MiraCosta, approximately 80% for Disney Ambassador Hotel, and approximately 80% for the Palm & Fountain Terrace Hotel.

Overall net sales in this segment declined, however, as a result of suspending operations for 20 days owing to the impact of the Great East Japan Earthquake.

Operating Income **¥8,422 million (up 0.2%)**

Despite a decrease in net sales, operating income increased due to reductions in depreciation and amortization expenses, among other factors.

[Other Business Segment] Ikspiari, Cirque du Soleil Theatre Tokyo, and others
Operating income decreased owing to an increase in the renovation cost in the Ikspiari business, in addition to a fall in net sales as a result of the impact of the suspension of operations.

Net Sales **¥21,697 million (down 10.0%)**

Celebrating its 10th anniversary in July 2010, Ikspiari held various events and fairs throughout the year under the theme "More Fun! Forever Fun!" in order to thank its customers and express appreciation for their continued support over the past 10 years. At the same time, Ikspiari renovated stores while welcoming new tenants.

At Cirque du Soleil Theatre Tokyo, "ZED+Park" Plan, which combines a ticket for "ZED" and an admission ticket to Tokyo Disneyland or Tokyo DisneySea, was sold.

However, overall net sales declined as a result of the suspension of facility operations due to the impact of the Great East Japan Earthquake.

Operating Loss **¥1,205 million (an increase of ¥1,119 million)**

Operating loss increased owing to a rise in facility renovation costs in the Ikspiari business, as well as a decline in net sales.

B. Forecast of Results for the Fiscal Year Ending March 31, 2012

Although we suspended operations of our facilities in light of external factors exemplified by the power shortages consequent to the Great East Japan Earthquake, we reopened Tokyo Disneyland and Tokyo DisneySea on April 15 and April 28, respectively, while pursuing stringent power-saving efforts. During the coming summer, we are planning to operate the two theme parks based on the same time schedule as in past years, working within the government's power-saving framework. Furthermore, as a measure for coping with the power shortages, plans are underway to use additional privately owned generators by August to provide a portion of the electricity used by our theme parks.

We do not present a forecast for the fiscal year ending March 31, 2012 in this material, given the difficulties in creating a reasonable forecast at this point in time. We will closely examine the trends of external factors such as the power supply/demand situation as well as their impact on financial results and will publicly announce our forecast of results as soon as it is ready for disclosure.

(2) Analysis of Consolidated Financial Position

A. Assets, Liabilities and Net Assets

[Assets]

Total assets as of March 31, 2011 were ¥574,634 million (down 6.6% compared with the end of the previous fiscal year).

Current assets declined to ¥65,359 million (down 26.2%) due to decrease in cash and deposits, notes and accounts receivable-trade, and short-term investment securities, among other factors.

Noncurrent assets dropped to ¥509,275 million (down 3.3%) due to various factors, including a decrease in property, plant and equipment as a result of the continued depreciation and amortization of facilities at Tokyo Disney Resort.

[Liabilities]

Total liabilities as of March 31, 2011 were ¥216,856 million (down 12.8%).

Current liabilities declined to ¥106,981 million (down 12.5%) due to various factors, including the redemption of the Unsecured Straight Bonds 8th series (¥20,000 million) in March 2011.

Noncurrent liabilities dropped to ¥109,875 million (down 13.0%) due to a decrease in long-term loans payable, among other factors.

[Net Assets]

Total net assets as of March 31, 2011 dropped to ¥357,778 million (down 2.4%) due to various factors, including a new repurchase of 3 million shares of treasury stock (3.3% of the total number of shares issued and outstanding) in March 2011, despite an increase in net income. Shareholders' equity ratio stood at 62.3 % (up 2.7 points).

B. Cash Flows

[Net Cash Provided by Operating Activities]

Net cash from operating activities increased to ¥74,327 million (a growth of ¥2,233 million compared with the previous fiscal year) due to factors that included a decrease in income tax payments, in addition to a rise in net cash provided by major operating activities.

[Net Cash Used in Investing Activities]

Net cash used in investing activities dropped to ¥25,218 million (a decrease of ¥2,492 million compared with the previous fiscal year) due to factors that included an increase in purchase of property, plant and equipment and purchase of investment securities, despite a decrease in payments into time deposits.

[Net Cash Used in Financing Activities]

Net cash used in financing activities dropped to ¥60,971 million (a decrease of ¥7,890 million compared with the previous fiscal year) due to factors that included an increase in repayment of long-term loans payable and an increase in cash dividends paid, despite a decrease in repayment of short-term loans payable.

C. Indicators of Financial Position

	Fiscal year ended March 31, 2007	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net worth ratio (%)	55.0	51.2	57.9	59.6	62.3
Net worth ratio on market value basis (%)	95.3	73.5	88.5	91.6	96.0
Debt/equity ratio (times)	0.61	0.76	0.52	0.47	0.40
Interest-bearing debt to cash-flow ratio (%)	354.3	509.9	247.1	240.4	192.3
Interest coverage ratio (times)	15.3	12.5	19.2	30.7	35.7

Notes:

- All indicators are calculated on a consolidated basis.
- Net worth ratio: Equity capital/Total assets
- Net worth ratio on market value basis: Total market value of stock*/Total assets
  * Total market value of stock is calculated by multiplying the total number of shares outstanding at the end of the period (excluding treasury stock) by the closing stock price at the end of the period.
- Debt/equity ratio: Interest-bearing debt*/ Equity capital
  * Interest-bearing debt includes all liabilities stated on the balance sheet on which interest is paid.
- Interest-bearing debt to cash flow ratio: Interest-bearing debt*/Cash flows from operating activities
  * Interest-bearing debt: Same as above
- Interest coverage ratio: Cash flows from operating activities/Interest paid*
  * Interest paid is as stated on the consolidated statement of cash flows.

(3) Basic Policy on Distribution of Profit and Dividends for the Fiscal Years Ended March 31, 2011 and Ending March 31, 2012

The OLC Group recognizes that returning profits to its stockholders is an important management policy.

Although net income for the fiscal year ended March 31, 2011 decreased as a result of the impact of the Great East Japan Earthquake, we will set the year-end dividend for the fiscal year at ¥50.00 per share and the total cash dividends for the fiscal year at ¥100.00 per share, the same level as in the previous fiscal year, based on our policy of aiming to pay stable dividends. The consolidated payout ratio will stand at 37.7%.

Going forward, we will aim to continue paying stable dividends, while taking external factors into consideration. For the next fiscal year, ending March 31, 2012, we have not presented any specific figures, given the difficulties in creating a rational forecast at this point in time.

The Company repurchased 3 million shares of treasury stock (3.3% of the total number of shares issued and outstanding) in March 2011. Going forward, we will continue to consider repurchase of treasury stock as necessary.

2. Outline of the Oriental Land Group ("OLC Group")

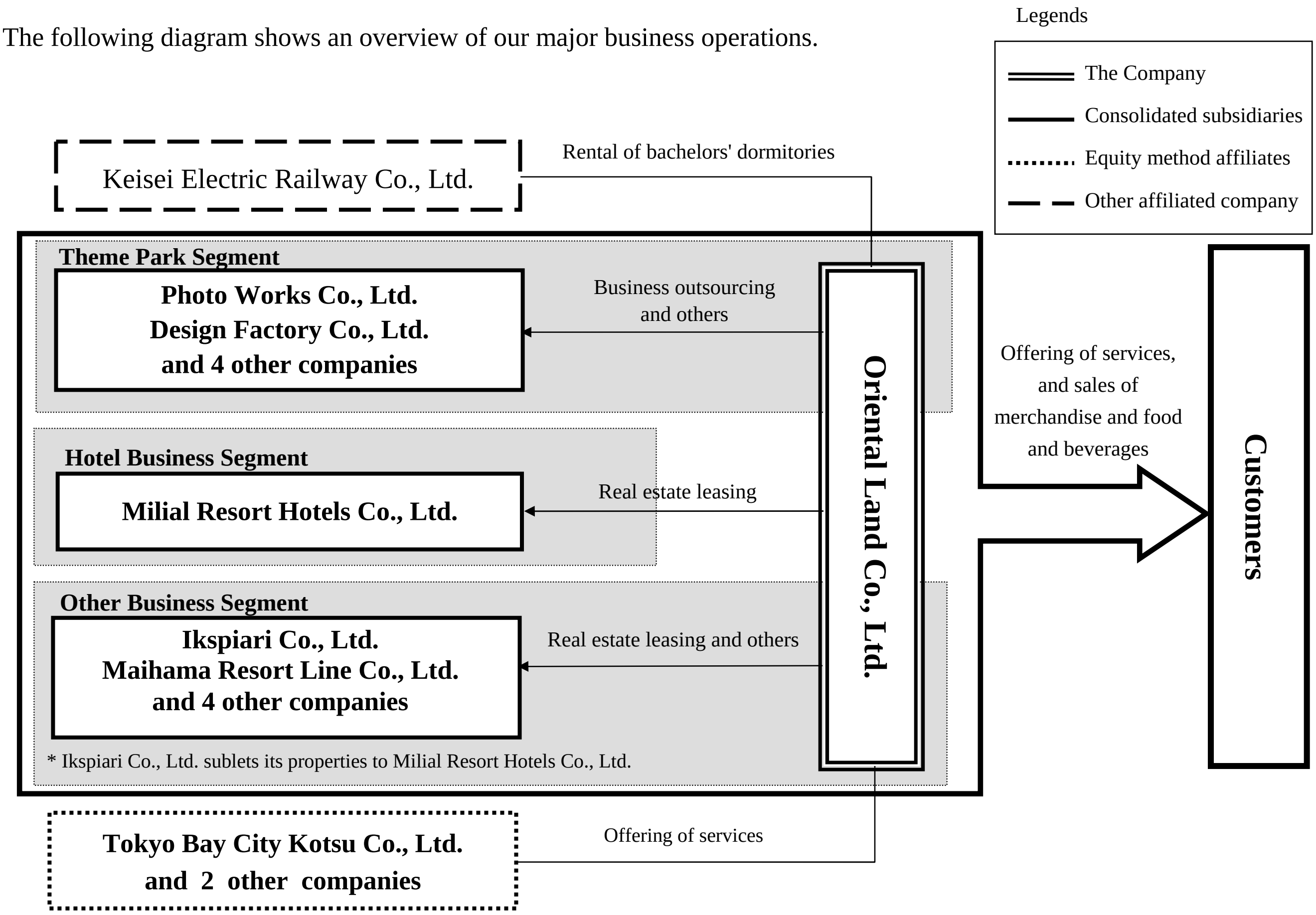
The OLC Group includes Oriental Land Co., Ltd. (the "Company"), 13 consolidated subsidiaries, 3 affiliated companies and 1 other affiliated company, with the main businesses being the management and operation of theme parks and hotels.

The main operations of each business segment and the main affiliates and other companies of the OLC Group conducting each business during the period were as follows:

Segments	Main Operations	Main Companies (Note)
Theme Park Segment	Management and operation of theme parks	Oriental Land Co., Ltd. (listed company) Photo Works Co., Ltd. Design Factory Co., Ltd. and 4 other companies
Hotel Business Segment	Management and operation of hotels	Milial Resort Hotels Co., Ltd.
Other Business Segment	Management and operation of Ikspiari Management and operation of Cirque du Soleil Theatre Tokyo Management and operation of monorail, and others	Ikspiari Co., Ltd. Oriental Land Co., Ltd. (listed company) Maihama Resort Line Co., Ltd. and 4 other companies

Note: Company names and numbers of companies listed in the Main Companies column all refer to consolidated subsidiaries except Oriental Land Co., Ltd.

The following diagram shows an overview of our major business operations.



3. Management Policies

(1) Corporate Mission and Policies

With a corporate mission to "create happiness and contentment by offering wonderful dreams and moving experiences created with original, imaginative ideas," the OLC Group continues to be an organization that is widely loved and popular among people from Japan, Asia and the wider world. The OLC Group aims to increase its corporate value over the long term by maximizing the cash flow that is generated as a result of its ability to earn the trust and understanding of all stakeholders.

Tokyo Disney Resort is the OLC Group's core business. In addition to its role as a key element within the Tokyo Bay area, the resort aims to continue bringing happiness for another 50 or 100 years time.

(2) Medium- and Long-Term Strategies, Management Indicators and Issues

A. The impact of the Great East Japan Earthquake

The buildings and facilities at Tokyo Disney Resort were spared serious damage thanks to the ground improvement techniques we adopted at the time of construction as a preventative measure against liquefaction. Although liquefaction phenomenon was observed in one portion of Tokyo Disneyland's flat parking area, we promptly repaired the damage. There were no human casualties or injuries caused by the disaster among our customers or employees.

Immediately after the earthquake, an Earthquake Response Coordination Task Force was set up, headed by the President, to manage the crises. The task force promptly undertook various measures in accordance with the Tokyo Disney Resort Earthquake Response Plan created by OLC. Under the plan, we have made a point of implementing emergency drills and training for our employees at each Tokyo Disney Resort facility and maintaining a substantial store of food and beverages for emergency purposes. This helped us deal with the crises effectively.

In the subsequent recovery phase, we pursued efforts to resume operation of our theme parks and other facilities at Tokyo Disney Resort under the leadership of the Earthquake Response Coordination Task Force. Having resumed operations, we are now striving to save electricity in response to power shortages by reducing lighting and operation of water fountains within the theme parks and back areas, as well as air conditioning. Furthermore, plans are underway to use additional privately owned generators by August to provide a portion of the electricity used by our theme parks.

In response to the recent disaster, OLC will renew its efforts to identify potential risks that were previously inconceivable and establish preventive and responsive measures against them while aiming to achieve a higher level of disaster resistance and safety for our facilities. We also intend to continue providing our employees with training and guidance, as we have in the past, to empower them to offer high-quality services even in the event of an emergency.

OLC sets aside cash reserves, which is earmarked to serve as working capital if needed in the event of a temporary decline in revenues. In addition, we have concluded a commitment line agreement with our banks, a contract under which the banks promise to provide financing of ¥30.0 billion.

B. 2013 Medium-Term Plan

During the last four fiscal years, from the fiscal year ended March 31, 2008 to the fiscal year ended March 31, 2011, the OLC Group implemented the 2010 Medium-Term Plan, under which it has made consistent progress in strengthening the foundation of Tokyo Disney Resort. This fiscal year, we have launched the 2013 Medium-Term Plan, which covers the period between the fiscal year ending March 31, 2012 and the fiscal year ending March 31, 2014. We will continue to innovate and reinvent ourselves in order to consistently create new value while at the same time responding to expected future changes in the surrounding environment, such as shifting demographics.

OLC has formulated the following two fundamental policies for the new medium-term plan: "Sustainable Growth of the Core Business (Tokyo Disney Resort)" and "Reinforcement of the Foundation for Long-Term Sustainable Growth." Of the free cash flow consistently generated from the sustainable growth of the core business, we will allocate a high level to stockholder returns and preparations for new growth, among other areas.

The management objective in the next medium-term plan is to "generate corporate value that will enable sustainable growth over the long term" and a numerical target has been set at "around the ¥120.0 billion level of aggregated free cash flow to be generated over three years." Having come through a period of priority investment that included large-scale investment projects such as Tokyo DisneySea and Disney Hotels, in the fiscal year ended March 31, 2009, OLC entered a period in which free cash flow has been generated in a steady stream.

In response to the recent disaster, OLC will strive to further strengthen its business foundation as part of its efforts to fulfill the 2013 Medium-Term Plan.

i. Sustainable Growth of the Core Business (Tokyo Disney Resort)

We have steadily increased our base level of profitability by strengthening our core business under the 2010 Medium-Term Plan and have achieved record operating income for the last three consecutive years since the fiscal year ended March 31, 2009. We will continue striving to achieve the sustainable growth of our core business.

(i) Creation of New Value

[Enhanced Value of Tokyo Disney Resort]

As a means of enhancing the value of Tokyo Disney Resort, we will add new products to the two theme parks in a well-balanced manner, and the Tokyo DisneySea celebrates its 10th Anniversary in September 2011. In addition, we will capitalize on the full potential of Tokyo Disney Resort by creating content which will enhance the profitability of the resort on the whole in preparation for the Tokyo Disney Resort 30th Anniversary, which will take place during the fiscal year ending March 31, 2014, the last year of the 2013 Medium-Term Plan.

We will introduce a new night-time entertainment, "Fantasmic!" in Tokyo DisneySea in April 2011. In addition, with the aim of enhancing the appeal of the theme parks and expanding their capacity in preparation for the Tokyo Disney Resort 30th Anniversary, we are planning to open "Toy Story Mania!" a 3D ride-type attraction based on the film *Toy Story* in the following year of 2012. By effectively combining various new products and anniversary events in this way, we will systematically enhance the value of our theme parks.

[Creation and Expansion of Earnings Opportunities]

OLC will continue to create and expand earnings opportunities for Tokyo Disney Resort as a whole. By reducing the waiting time for our guests, we will enhance guest satisfaction and further increase profitability. Specifically, we will focus on the rollout of "Tokyo Disney Resort Vacation Packages," high-value added packaged products which combine hotel accommodations with theme park content such as FastPass tickets, show tickets, etc. These packages have contributed to the improvement of guest satisfaction and motivated those guests who purchased the packages to again visit the theme parks at a later date. In addition, we are strengthening efforts to allocate our resources to the development and investments that will enhance the profitability of Tokyo Disney Resort as a whole such as the creation of new content and efficient utilization of existing facilities. By creating new value as described above, we aim to enhance guest satisfaction and further increase profitability.

(ii) Market Development

[Promoting Attraction of Guests to Both Theme Parks]

We will continue to promote efforts to attract guests to both theme parks, seeking to maintain a good balance between increasing the number of Tokyo Disney Resort fans and enhancing our ability to attract repeat guests.

Due to the extremely strong appeal of anniversary events, we will position them as a key part of efforts for large-scale expansion of our fan base. In addition, we aim to attain stronger guest loyalty by targeting families with the introduction of new products with high family entertainment value and strengthening sales of Vacation Packages targeting "post family" (primarily guests in their 40s and over).

With the aim of enhancing our ability to encourage repeat visits, we will continue to enhance guest satisfaction while expanding events under seasonal themes such as Halloween and Easter in addition to Christmas-themed events.

[Attracting Overseas Guests]

Although the number of overseas visitors to Japan may decline in the short run due to the impact of the Great East Japan Earthquake, various initiatives are being considered primarily by the Japanese government in order to increase the number of overseas visitors to Japan and the target numbers indicate a significant increase in the future. We regard such a policy as an opportunity and are poised to capitalize on it by responding appropriately.

(iii) Cost and Investment Efficiency

[Reduction of Running Costs]

To improve cost efficiency, OLC will work on the reduction of running costs through measures that will not affect the gests' experience value, while retaining a high level of guest satisfaction.

[Control of Investment Amount]

In order to generate a steady free cash flow, OLC has adopted an investment policy for the Theme Park Segment of setting the amount of capital expenditure for the next 10 years. We will strengthen our control based on a long-term perspective, ensuring a balanced allocation of investment resources to new products and to renovations and improvements with the aim of enhancing the attractiveness of Tokyo Disney Resort. Meanwhile, depreciation and amortization expenses are expected to decrease over the medium term, reflecting investment efficiency.

ii. Reinforcement of the Foundation for Long-Term Sustainable Growth

We will allocate the steady stream of high free cash flow, generated by the sustainable growth of our core business, to reinforcing the foundation for long-term sustainable growth.

(i) Preparation for New Growth

[Business Development Policies]

We will continue our efforts into the research and development of new business in order to generate additional growth. With the aim of growing new businesses that can build upon Tokyo Disney Resort, we will consider various opportunities and methods from a long-term perspective based on a policy of selection and focus on investment from which we can expect more than a certain level of return in areas in which we can capitalize on our strengths.

[Reduction of Interest-Bearing Debt]

Under the 2010 Medium-Term Plan, OLC strengthened its financial position by reducing interest-bearing debt from 294.3 billion yen as of March 31, 2008 to 142.9 billion yen as of March 31, 2011 and decreasing the debt to equity ratio to 0.40. We will continue to reduce interest-bearing debts in order to secure funds for investment in new growth opportunities in the years ahead.

(ii) Stockholder Returns

As in the past, we will remain focused on stockholder returns when allocating the steady stream of free cash flow. We aim to pay stable dividend while taking external factors into consideration. In addition, we will continue to consider stock repurchases as appropriate. Furthermore, we aim to achieve ROE of 8% or more as early as possible through earnings growth and direct stockholder returns.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

Items	At the end of the Fiscal Year (March 31, 2011) Amount	At the end of the previous Fiscal Year (March 31, 2010) Amount
ASSETS		
Current assets		
Cash and deposits	25,886	34,233
Notes and accounts receivable—trade	9,050	16,942
Short-term investment securities	9,500	17,000
Merchandise and finished goods	8,257	7,378
Work in process	131	142
Raw materials and supplies	3,911	3,719
Deferred tax assets	5,960	6,914
Others	2,661	2,289
Allowance for doubtful accounts	(1)	(3)
Total current assets	65,359	88,616
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	581,499	577,338
Accumulated depreciation	(264,618)	(244,489)
Buildings and structures, net	316,880	332,848
Machinery, equipment and vehicles	235,709	231,921
Accumulated depreciation	(195,810)	(186,597)
Machinery, equipment and vehicles, net	39,898	45,324
Land	93,301	93,301
Construction in progress	13,548	5,429
Other	68,572	68,300
Accumulated depreciation	(60,050)	(57,334)
Other, net	8,522	10,966
Total property, plant and equipment	472,151	487,870
Intangible assets		
Other	7,680	9,202
Total intangible assets	7,680	9,202
Investments and other assets		
Investment securities	17,559	16,632
Long-term loans receivable	1,048	1,569
Deferred tax assets	4,030	2,452
Other	6,891	8,833
Allowance for doubtful accounts	(85)	(87)
Total investments and other assets	29,443	29,400
Total noncurrent assets	509,275	526,473
Total assets	574,634	615,090

(Millions of yen)

Items	At the end of the Fiscal Year (March 31, 2011)	At the end of the previous Fiscal Year (March 31, 2010)
	Amount	Amount
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	11,891	14,059
Short-term loans payable	10,000	—
Current portion of bonds	—	19,998
Current portion of long-term loans payable	30,298	34,050
Income taxes payable	9,379	8,273
Reserve for loss on disaster	3,398	—
Other	42,012	45,877
Total current liabilities	106,981	122,258
Noncurrent liabilities		
Bonds payable	59,992	59,991
Long-term loans payable	32,220	47,519
Provision for retirement benefits	3,905	3,422
Other	13,756	15,425
Total noncurrent liabilities	109,875	126,358
Total liabilities	216,856	248,617
NET ASSETS		
Shareholders' equity		
Capital stock	63,201	63,201
Capital surplus	111,403	111,403
Retained earnings	232,322	218,920
Treasury stock	(47,215)	(26,094)
Total shareholders' equity	359,711	367,430
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,178)	(502)
Deferred gains or losses on hedges	(763)	(473)
Total accumulated other comprehensive income	(1,941)	(975)
Minority interests	8	18
Total net assets	357,778	366,473
Total liabilities and net assets	574,634	615,090

(2) Consolidated statements of (comprehensive) income

(Millions of yen)

Items	Fiscal Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Fiscal Year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Net sales	356,180	371,414
Cost of sales	255,088	272,530
Gross profit	101,092	98,884
Selling, general and administrative expenses	47,428	56,960
Operating income	53,664	41,924
Non-operating income		
Interest income	171	96
Dividends income	268	233
Equity in earnings of affiliates	37	52
Insurance received and insurance dividends	356	365
Other	795	784
Total non-operating income	1,628	1,532
Non-operating expenses		
Interest expenses	2,010	2,201
Other	394	496
Total non-operating expenses	2,404	2,697
Ordinary income	52,887	40,758
Extraordinary income		
Gain on sales of investment securities	1	—
Total extraordinary income	1	—
Extraordinary loss		
Loss on retirement of noncurrent assets	—	375
Loss on sales of stocks of subsidiaries and affiliates	—	2,134
Loss on valuation of investment securities	1,546	—
Impairment loss	3,367	237
Loss on adjustment for changes of accounting standard for asset retirement obligations	162	—
Loss on disaster	9,727	—
Other	—	230
Total extraordinary losses	14,803	2,978
Income before income taxes and minority interests	38,085	37,779
Income taxes—current	15,052	12,436
Income taxes—deferred	135	(83)
Total income taxes	15,188	12,353
Income before minority interests	22,897	—
Minority interests in loss	(10)	(0)
Net income	22,907	25,427

Items	Fiscal Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Fiscal Year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Income before minority interests	22,897	—
Other comprehensive income		
Valuation difference on available-for-sale securities	(675)	—
Deferred gains or losses on hedges	(289)	—
Total other comprehensive income	(965)	—
Comprehensive income	21,931	—
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	21,941	—
Comprehensive income attributable to minority interests	(10)	—

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Fiscal Year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Shareholders’ equity		
Capital stock		
Balance at the end of previous period	63,201	63,201
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	63,201	63,201
Capital surplus		
Balance at the end of previous period	111,403	111,403
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	111,403	111,403
Retained earnings		
Balance at the end of previous period	218,920	225,211
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,907	25,427
Retirement of treasury stock	—	(24,445)
Total changes of items during the period	13,401	(6,291)
Balance at the end of current period	232,322	218,920
Treasury stock		
Balance at the end of previous period	(26,094)	(24,463)
Changes of items during the period		
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	24,445
Total changes of items during the period	(21,120)	(1,630)
Balance at the end of current period	(47,215)	(26,094)
Total shareholders’ equity		
Balance at the end of previous period	367,430	375,352
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,907	25,427
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	—
Total changes of items during the period	(7,718)	(7,921)
Balance at the end of current period	359,711	367,430

(Millions of yen)

	Fiscal Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Fiscal Year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(502)	(1,403)
Changes of items during the period		
Net changes of items other than shareholders’ equity	(675)	901
Total changes of items during the period	(675)	901
Balance at the end of current period	(1,178)	(502)
Deferred gains or losses on hedges		
Balance at the end of previous period	(473)	(307)
Changes of items during the period		
Net changes of items other than shareholders’ equity	(289)	(166)
Total changes of items during the period	(289)	(166)
Balance at the end of current period	(763)	(473)
Total accumulated other comprehensive income		
Balance at the end of previous period	(975)	(1,711)
Changes of items during the period		
Net changes of items other than shareholders’ equity	(965)	735
Total changes of items during the period	(965)	735
Balance at the end of current period	(1,941)	(975)
Minority interests		
Balance at the end of previous period	18	18
Changes of items during the period		
Net changes of items other than shareholders’ equity	(10)	(0)
Total changes of items during the period	(10)	(0)
Balance at the end of current period	8	18
Total net assets		
Balance at the end of previous period	366,473	373,660
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,907	25,427
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	—
Net changes of items other than shareholders’ equity	(975)	734
Total changes of items during the period	(8,694)	(7,187)
Balance at the end of current period	357,778	366,473

(4) Consolidated Statements of Cash Flows

(Millions of yen)

Items	Fiscal Year ended March 31, 2011 (April 1, 2010 to December 31, 2011)	Fiscal Year ended March 31, 2010 (April 1, 2009 to December 31, 2010)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interest	38,085	37,779
Depreciation and amortization	42,286	46,694
Impairment loss	3,367	237
Increase (decrease) in provision	3,877	537
Interest and dividend income	(439)	(330)
Interest expenses	2,010	2,201
Foreign exchange losses (gains)	(11)	(25)
Loss (gain) on valuation of investment securities	1,546	—
Loss (gain) on sales of investment securities	(1)	—
Loss (gain) on sales of stocks of subsidiaries and affiliates	—	2,134
Equity in (earnings) losses of affiliates	(37)	(52)
Decrease (increase) in notes and accounts receivable—trade	7,464	(720)
Decrease (increase) in inventories	(1,060)	(1,506)
Increase (decrease) in notes and accounts payable—trade	(4,707)	(1,767)
Increase (decrease) in accrued consumption taxes	(1,937)	1,577
Other, net	(408)	2,709
Subtotal	90,033	89,471
Interest and dividends income received	436	344
Interest expenses paid	(2,080)	(2,344)
Income taxes paid	(14,062)	(15,377)
Net cash provided by (used in) operating activities	74,327	72,094
Net cash provided by (used in) investing activities		
Payments into time deposits	(8,000)	(19,000)
Proceeds from withdrawal of time deposits	12,000	15,000
Proceeds from redemption of securities	10	726
Purchases of property, plant and equipment	(25,101)	(17,055)
Proceeds from sale of property, plant and equipment	12	1
Purchases of investment securities	(3,499)	(302)
Proceeds from sales of investment securities	8	0
Proceeds from sales of stocks of subsidiaries and affiliates	—	10
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	(1,267)
Payments of loans receivable	(0)	(0)
Collection of loans receivable	522	1
Other, net	(1,170)	(839)
Net cash provided by (used in) investing activities	(25,218)	(22,726)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	10,000	10,000
Decrease in short-term loans payable	—	(10,000)
Proceeds from long-term loans payable	15,000	12,370
Repayment of long-term loans payable	(34,050)	(10,800)
Redemption of bonds	(20,000)	(20,000)
Cash dividends paid	(9,486)	(7,258)
Purchases of treasury stock	(21,120)	(26,075)
Other, net	(1,313)	(1,317)
Net cash provided by (used-in) financing activities	(60,971)	(53,081)
Effect of exchange rate change on cash and cash equivalents	15	26
Net increase (decrease) in cash and cash equivalents	(11,846)	(3,686)
Cash and cash equivalents at beginning of period	47,233	50,919
Cash and cash equivalents at end of period	35,386	47,233

5. Nonconsolidated Financial Statements

(1) Balance Sheets

(Millions of yen)

	Fiscal 2011 (as of March 31, 2011)	Fiscal 2010 (as of March 31, 2010)
ASSETS		
Current assets		
Cash and deposits	24,685	32,990
Accounts receivable - trade	8,365	14,605
Short-term investment securities	9,500	17,000
Merchandise and finished goods	5,545	4,512
Raw materials and supplies	3,168	3,090
Prepaid expenses	703	805
Deferred tax assets	5,205	6,099
Other	1,659	1,079
Total current assets	58,833	80,182
Noncurrent assets		
Property, plant and equipment		
Buildings	379,971	377,582
Accumulated depreciation	(162,820)	(149,965)
Buildings, net	217,150	227,616
Structures	159,814	158,602
Accumulated depreciation	(89,547)	(83,660)
Structures, net	70,267	74,942
Machinery and equipment	210,072	206,401
Accumulated depreciation	(175,912)	(167,880)
Machinery and equipment, net	34,159	38,520
Vessels	5,897	6,171
Accumulated depreciation	(3,892)	(3,922)
Vessels, net	2,004	2,249
Vehicles	5,930	5,904
Accumulated depreciation	(5,142)	(4,817)
Vehicles, net	788	1,087
Tools, furniture and fixtures	63,420	62,871
Accumulated depreciation	(55,753)	(52,912)
Tools, furniture and fixtures, net	7,667	9,958
Land	93,631	93,631
Construction in progress	13,463	5,394
Total property, plant and equipment	439,133	453,401
Intangible assets		
Right of trademark	—	0
Software	3,934	4,848
Right of using water facilities	2,609	3,073
Other	529	606
Total intangible assets	7,073	8,528

(Millions of yen)

	Fiscal 2011 (as of March 31, 2011)	Fiscal 2010 (as of March 31, 2010)
Investments and other assets		
Investment securities	9,797	7,737
Stocks of subsidiaries and affiliates	14,985	16,061
Investments in capital	0	0
Long-term loans receivable	1,044	1,565
Long-term loans to employees (housing loans)	3	4
Long-term loans receivable from subsidiaries and affiliates	24,521	28,726
Long-term prepaid expenses	3,724	5,717
Deferred tax assets	3,558	1,814
Other	2,444	2,471
Allowance for doubtful accounts	(656)	(1,617)
Total investments and other assets	59,422	62,482
Total noncurrent assets	505,630	524,412
Total assets	564,463	604,595

(Millions of yen)

	Fiscal 2011 (as of March 31, 2011)	Fiscal 2010 (as of March 31, 2010)
LIABILITIES		
Current liabilities		
Accounts payable - trade	11,524	13,329
Short-term loans payable	10,000	—
Current portion of bonds	—	19,998
Current portion of long-term loans payable	30,200	34,000
Accounts payable - other	13,766	12,623
Accrued expenses	7,653	10,487
Income taxes payable	8,554	6,621
Accrued consumption taxes	1,417	3,378
Advances received	12,867	11,374
Deposits received	13,506	15,271
Reserve for loss on disaster	3,304	—
Other	799	143
Total current liabilities	113,594	127,227
Noncurrent liabilities		
Bonds payable	59,992	59,991
Long-term loans payable	30,000	45,200
Long-term accounts payable - other	9,560	11,539
Provision for retirement benefits	2,521	2,272
Other	993	1,188
Total noncurrent liabilities	103,067	120,191
Total liabilities	216,662	247,418
NET ASSETS		
Shareholders’ equity		
Capital stock	63,201	63,201
Capital surplus		
Legal capital surplus	111,403	111,403
Total capital surpluses	111,403	111,403
Retained earnings		
Legal retained earnings	1,142	1,142
Other retained earnings		
General reserve	155,200	155,200
Retained earnings brought forward	66,024	53,358
Total retained earnings	222,367	209,701
Treasury stock	(47,215)	(26,094)
Total shareholders’ equity	349,756	358,211
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(1,191)	(564)
Deferred gains or losses on hedges	(763)	(470)
Total valuation and translation adjustments	(1,955)	(1,035)
Total net assets	347,801	357,176
Total liabilities and net assets	564,463	604,595

(2) Statements of Income

(Millions of yen)

	Fiscal 2011 (April 1, 2010 to March 31, 2011)	Fiscal 2010 (April 1, 2009 to March 31, 2010)
Operating revenue		
Attractions and shows	132,687	135,092
Merchandise	104,461	100,635
Food and beverages	55,330	55,964
Other revenue	13,794	13,732
Total operating revenue	306,273	305,425
Operating expenses		
Cost of sales		
Cost of goods sold	44,434	43,912
Cost of food and beverages	22,704	24,247
Personnel expenses	51,010	53,979
Other	127,420	134,122
Total cost of sales	245,570	256,261
Gross profit	60,703	49,163
General and administrative expenses	13,781	14,505
Operating income	46,921	34,658
Non-operating income		
Interest income	384	274
Interest on securities	36	36
Dividends income	3,080	2,250
Insurance received and insurance dividends	354	362
Miscellaneous income	791	704
Total non-operating income	4,648	3,628
Non-operating expenses		
Interest expenses	716	967
Interest on bonds	1,228	1,250
Miscellaneous expenses	220	151
Total non-operating expenses	2,165	2,370
Ordinary income	49,404	35,916
Extraordinary income		
Gain on sales of investment securities	1	—
Gain on extinguishment of tie-in shares	—	58
Total extraordinary income	1	58
Extraordinary loss		
Loss on retirement of noncurrent assets	—	331
Loss on sales of stocks of subsidiaries and affiliates	—	2,554
Loss on valuation of investment securities	1,546	—
Loss on valuation of stocks of subsidiaries and affiliates	—	144
Impairment loss	3,326	—
Bad debts written off	112	54
Provision of allowance for doubtful accounts	157	150
Loss on support to subsidiaries and affiliates	340	—
Loss on disaster	8,668	—
Total extraordinary losses	14,151	3,236
Income before income taxes	35,254	32,737
Income taxes - current	13,308	10,066
Income taxes - deferred	(225)	739
Total income taxes	13,082	10,806
Net income	22,171	21,931

(3) Statements of Changes in Net Assets

(Millions of yen)

	Fiscal 2011 (April 1, 2010 to March 31, 2011)	Fiscal 2010 (April 1, 2009 to March 31, 2010)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	63,201	63,201
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	63,201	63,201
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	111,403	111,403
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	111,403	111,403
Total capital surplus		
Balance at the end of previous period	111,403	111,403
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	111,403	111,403
Retained earnings		
Legal retained earnings		
Balance at the end of period	1,142	1,142
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	1,142	1,142
Other retained earnings		
General reserve		
Balance at the end of previous period	155,200	155,200
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	155,200	155,200
Retained earnings brought forward		
Balance at the end of previous period	53,358	63,145
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,171	21,931
Retirement of treasury stock	—	(24,445)
Total changes of items during the period	12,665	(9,787)
Balance at the end of current period	66,024	53,358
Total retained earnings		
Balance at the end of previous period	209,701	219,488
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,171	21,931
Retirement of treasury stock	—	(24,445)
Total changes of items during the period	12,665	(9,787)
Balance at the end of current period	222,367	209,701
Treasury stock		
Balance at the end of previous period	(26,094)	(24,463)
Changes of items during the period		
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	24,445
Total changes of items during the period	(21,120)	(1,630)
Balance at the end of current period	(47,215)	(26,094)
Total shareholders' equity		
Balance at the end of previous period	358,211	369,628
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,171	21,931
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	—
Total changes of items during the period	(8,454)	(11,417)
Balance at the end of current period	349,756	358,211

(Millions of yen)

	Fiscal 2011 (April 1, 2010 to March 31, 2011)	Fiscal 2010 (April 1, 2009 to March 31, 2010)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(564)	(1,403)
Changes of items during the period		
Net changes of items other than shareholders' equity	(627)	839
Total changes of items during the period	(627)	839
Balance at the end of current period	(1,191)	(564)
Deferred gains or losses on hedges		
Balance at the end of previous period	(470)	(321)
Changes of items during the period		
Net changes of items other than shareholders' equity	(292)	(149)
Total changes of items during the period	(292)	(149)
Balance at the end of current period	(763)	(470)
Total valuation and translation adjustments		
Balance at the end of previous period	(1,035)	(1,724)
Changes of items during the period		
Net changes of items other than shareholders' equity	(919)	689
Total changes of items during the period	(919)	689
Balance at the end of current period	(1,955)	(1,035)
Total net assets		
Balance at the end of previous period	357,176	367,903
Changes of items during the period		
Dividends from surplus	(9,505)	(7,273)
Net income	22,171	21,931
Purchase of treasury stock	(21,120)	(26,075)
Retirement of treasury stock	—	—
Net changes of items other than shareholders' equity	(919)	689
Total changes of items during the period	(9,374)	(10,727)
Balance at the end of current period	347,801	357,176