

# Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2017 (Japanese accounting standards)

July 28, 2016

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: Tomoyuki Shimoda, Director of Finance/Accounting Department

Planned Date for Submission of the Quarterly Report: August 12, 2016

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, 2017 (April 1, 2016 to June 30, 2016)

### (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, 2016	106,978	3.6	22,793	0.9	23,533	1.2
Three months ended June 30, 2015	103,294	(0.9)	22,586	(8.8)	23,266	(8.4)

Note: Comprehensive income:

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

Three months ended June 30, 2015: ¥16,746 million ((9.1)%)

	Profit attributable to owners of parent (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Diluted earnings per share (¥)
Three months ended June 30, 2016	16,295	4.9	49.00	47.37
Three months ended June 30, 2015	15,536	(9.4)	46.50	45.19

### (2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net assets per share (¥)
As of June 30, 2016	762,513	610,068	80.0	1,841.59
As of March 31, 2016	810,268	624,941	77.1	1,870.10

Reference: Shareholders' equity:

As of June 30, 2016: ¥610,068 million

As of March 31, 2016: ¥624,941 million

## 2. Dividends

	Annual dividends (¥)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Fiscal Year ended March 31, 2016	—	17.50	—	17.50	35.00
Fiscal Year ending March 31, 2017	—				
Fiscal Year ending March 31, 2017 (Est.)		17.50	—	17.50	35.00

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

### 3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Six months ending September 30, 2016	230,020	3.6	48,460	(7.1)	49,600	(6.9)	34,370	(4.4)	103.55
Fiscal Year ending March 31, 2017	479,900	3.1	109,110	1.6	110,510	1.2	76,870	4.0	231.81

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

#### \*Notes

- (1) Changes in Major Subsidiaries during the Three Months Ended June 30, 2016: 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, 2016:	363,690,160 shares	Year ended March 31, 2016:	363,690,160 shares
(b) Number of treasury stock at end of period	Three months ended June 30, 2016:	32,418,217 shares	Year ended March 31, 2016:	29,514,717 shares
(c) Average number of shares outstanding (quarterly cumulative period)	Three months ended June 30, 2016:	332,581,113 shares	Three months ended June 30, 2015:	334,099,486 shares

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

#### \* Statement concerning the Status of Quarterly Financial Review Procedures

These Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2017 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 the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016)

Pursuant to an amendment in the Corporation Tax Act, the Company has applied the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016 (Practical Issue Task Force (PITF) No.32 issued on June 17, 2016) from the first quarter of the current fiscal year. Accordingly, the Company changed the depreciation method for facilities attached to buildings and structures acquired on and after April 1, 2016 from the declining-balance method to the straight-line method.

The effect of this change in accounting policies to the quarterly consolidated financial statements for the first quarter under review is immaterial.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2016)	At the end of the first quarter (June 30, 2016)
	Amount	Amount
<b>ASSETS</b>		
Current assets		
Cash and deposits	209,138	181,236
Notes and accounts receivable—trade	25,740	15,931
Securities	32,999	19,498
Merchandise and finished goods	10,206	13,084
Work in process	71	86
Raw materials and supplies	6,836	6,852
Other	8,739	10,182
Allowance for doubtful accounts	(2)	(1)
Total current assets	293,728	246,870
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	274,739	275,838
Machinery, equipment and vehicles, net	30,785	29,666
Land	110,391	115,020
Construction in progress	9,072	9,363
Other, net	14,063	13,353
Total property, plant and equipment	439,052	443,242
Intangible assets		
Other	10,925	10,391
Total intangible assets	10,925	10,391
Investments and other assets		
Investment securities	55,440	50,694
Other	11,207	11,403
Allowance for doubtful accounts	(85)	(88)
Total investments and other assets	66,562	62,009
Total non-current assets	516,540	515,643
Total assets	810,268	762,513

(Millions of yen)

Items	At the end of the previous fiscal year (March 31, 2016)	At the end of the first quarter (June 30, 2016)
	Amount	Amount
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable—trade	18,723	12,027
Current portion of long-term loans payable	4,257	4,158
Income taxes payable	20,660	6,619
Provision for loss on disaster	12	12
Other	75,441	63,973
Total current liabilities	119,095	86,791
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	2,842	2,814
Net defined benefit liability	4,101	4,214
Other	9,288	8,624
Total noncurrent liabilities	66,232	65,653
Total liabilities	185,327	152,445
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	63,201	63,201
Capital surplus	111,911	111,911
Retained earnings	480,925	491,360
Treasury shares	(46,721)	(67,929)
Total shareholders' equity	609,317	598,543
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,362	11,070
Deferred gains or losses on hedges	(585)	(1,356)
Remeasurements of defined benefit plans	1,847	1,811
Total accumulated other comprehensive income	15,624	11,524
Total net assets	624,941	610,068
Total liabilities and net assets	810,268	762,513

**(2) Quarterly Consolidated Statements of (Comprehensive) Income**  
**(Quarterly Consolidated Statements of Income)**  
**Three months ended June 30, 2016**

(Millions of yen)

Items	Three months ended June 30, 2015 (April 1, 2015 to June 30, 2015)	Three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)
Net sales	103,294	106,978
Cost of sales	66,094	68,386
Gross profit	37,199	38,592
Selling, general and administrative expenses	14,613	15,798
Operating income	22,586	22,793
Non-operating income		
Interest income	125	133
Dividends income	402	422
Share of profit of entities accounted for using equity method	42	40
Insurance and dividends income	85	86
Other	257	301
Total non-operating income	912	985
Non-operating expenses		
Interest expenses	54	53
Commission fee	131	132
Other	47	59
Total non-operating expenses	232	244
Ordinary income	23,266	23,533
Profit before income taxes	23,266	23,533
Income taxes—current	6,992	6,582
Income taxes—deferred	737	655
Total income taxes	7,730	7,238
Profit	15,536	16,295
Profit attributable to owners of parent	15,536	16,295

**(Quarterly Consolidated Statements of Comprehensive Income)**  
**Three months ended June 30, 2016**

(Millions of yen)

Items	Three months ended June 30, 2015 (April 1, 2015 to June 30, 2015)	Three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)
Profit	15,536	16,295
Other comprehensive income		
Valuation difference on available-for-sale securities	1,101	(3,292)
Deferred gains or losses on hedges	99	(771)
Remeasurements of defined benefit plans, net of tax	9	(35)
Total other comprehensive income	1,209	(4,099)
Comprehensive income	16,746	12,195
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,746	12,195
Comprehensive income attributable to non-controlling interests	—	—

### (3) Notes Regarding Going Concern Assumption: None

### (4) Segment Information

#### (Segment Information)

1. Three months ended June 30, 2015 (April 1, 2015 to June 30, 2015)

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

(Millions of yen)

	Reportable Segments			Other Business* <sup>1</sup>	Total	Adjustment* <sup>2</sup>	Amount stated on the Quarterly Consolidated Statements of Income* <sup>3</sup>
	Theme Park	Hotel	Total				
Net sales							
Sales to external customers	84,706	14,236	98,943	4,351	103,294	—	103,294
Intersegment sales or transfers	1,423	132	1,556	888	2,445	(2,445)	—
Total	86,130	14,369	100,499	5,239	105,739	(2,445)	103,294
Segment Income	19,321	2,896	22,217	339	22,556	29	22,586

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

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

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

(Millions of yen)

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

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

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

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

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

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