Consolidated Financial Statements for the Fiscal Year Ended March 31, 2015 (Japanese accounting standards)

April 28, 2015

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, Officer and Director of Finance/Accounting Department
Planned Date for Annual General Meeting of Stockholders: June 26, 2015
Planned Date for Submission of Securities Report (*Yuka shoken hokokusho*): June 26, 2015
Planned Date for Start of Dividend Payment: June 29, 2015
Supplementary materials for the financial statements: Yes
Briefing session on financial results: Yes (for institutional investors)

1. Consolidated Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

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

(1) Consolidated Operating Results

(Percentages represent change compared with 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, 2015	466,291	(1.5)	110,605	(3.4)	110,486	(1.9)
Fiscal Year ended March 31, 2014	473,572	19.7	114,491	40.5	112,671	39.3

(Note) Comprehensive income:
Fiscal year ended March 31, 2015: ¥82,860 million (17.3%)
Fiscal year ended March 31, 2014: ¥70,633 million (22.0%)

	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, 2015	72,063	2.1	215.72	208.60	13.6	15.7	23.7
Fiscal Year ended March 31, 2014	70,571	37.1	211.33	203.76	15.2	17.1	24.2

(Reference) Equity in earnings of affiliates:
Fiscal year ended March 31, 2015: ¥132 million
Fiscal year ended March 31, 2014: ¥112 million

(Note) On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Earnings per share and diluted earnings per share have been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Net worth ratio (%)	Net assets per share (¥)
As of March 31, 2015	746,641	564,129	75.6	1,688.53
As of March 31, 2014	664,538	493,697	74.3	1,478.13

(Reference) Equity capital:
As of March 31, 2015: ¥564,129 million
As of March 31, 2014: ¥493,697 million

(Note) On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Net assets per share have been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.

(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, 2015	105,513	(68,100)	(11,107)	106,279
Fiscal Year ended March 31, 2014	120,674	(23,356)	(77,868)	80,017

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, 2014	—	60.00	—	60.00	120.00	10,045	14.2	2.2
Fiscal Year ended March 31, 2015	—	70.00	—	70.00	140.00	11,720	16.3	2.2
Fiscal Year ending March 31, 2016 (Est.)	—	17.50	—	17.50	35.00		16.2	

(Note)
1.On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Dividends prior to the end of the fiscal year ended March 2015 are presented in actual value terms on a pre-split basis.
2. Total dividends paid include dividends paid to the trust to the employee stock plan (FY2013 26million yen, FY2014 27million yen) and payout ratio has been calculated by dividing total dividends paid by net income.

3. Projected Consolidated Results for the Fiscal Year Ending March 31, 2016 (April 1, 2015 to March 31, 2016)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Six months ending September 30, 2015	227,680	2.2	52,070	(3.5)	52,920	(3.7)	35,670	(1.8)	106.77
Fiscal Year ending March 31, 2016	470,310	0.9	106,050	(4.1)	107,300	(2.9)	72,240	0.2	216.23

(Note)
On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Our forecast of earnings per share on a consolidated basis has been calculated based on the number of shares issued and outstanding, excluding treasury stock, after the stock split.

*Notes

(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 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: None
(c) Changes in accounting estimates: None
(d) Restatement: 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, 2015:	363,690,160 shares	Year ended March 31, 2014:	363,690,160 shares
(b) Number of treasury stock at end of period	Year ended March 31, 2015:	29,594,856 shares	Year ended March 31, 2014:	29,689,176 shares
(c) Average number of shares outstanding (quarterly cumulative period)	Year ended March 31, 2015:	334,055,267 shares	Year ended March 31, 2014:	333,942,154 shares

(Note)
1. On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Number of shares issued and outstanding (Common stock) have been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.
2. Number of treasury stock includes dividends paid to the trust to the employee stock plan.

[Reference] Non-consolidated Results

Non-consolidated Results for the Fiscal Year Ended March 31, 2015 (April 1, 2014 － March 31, 2015)

(1) Non-consolidated Operating Results

(Percentages represent change compared with 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, 2015	399,234	(0.8)	98,097	(1.1)	98,974	0.3
Fiscal Year ended March 31, 2014	402,506	17.9	99,204	40.2	98,632	34.9

	Net income (¥ million)	Year-on-year change (%)	Earnings per share (¥)	Earnings per share (diluted) (¥)
Fiscal Year ended March 31, 2015	65,159	4.7	195.06	188.69
Fiscal Year ended March 31, 2014	62,235	30.7	186.37	179.78

(Note) On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Earnings per share and diluted earnings per share have been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Net worth ratio (%)	Net assets per share (¥)
As of March 31, 2015	705,883	529,136	75.0	1,583.79
As of March 31, 2014	632,734	467,548	73.9	1,399.84

(Reference) Equity capital:

As of March 31, 2015: ¥529,136 million

As of March 31, 2014: ¥467,548 million

(Note) On April 1, 2015, Oriental Land Co., Ltd. conducted a 4-for-1 common stock split. Net assets per share have been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.

* Statement concerning the Status of Financial Audit Procedures

These Consolidated Financial Statements for the Fiscal Year Ended March 31, 2015 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. Please be advised that the Company does not in any way guarantee 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) Analysis of Operating Results

During the fiscal year under review, although consumer spending was soft, the Japanese economy continued to show a gradual recovery trend, sustained by an improvement trajectory in the employment and income environment as well as positive effects of a decline in crude oil prices and a weaker yen.

Regarding the OLC Group, theme park attendance reached a record high, driven mainly by the success of new products and special events held at its two theme parks. Meanwhile, net sales per guest decreased due to the fact that the year 2014 followed on the heels of the Tokyo Disney Resort 30th Anniversary.

As a result, net sales were ¥466,291 million (down 1.5% from the previous fiscal year), operating income was ¥110,605 million (down 3.4%), and ordinary income was ¥110,486 million (down 1.9%) while net income increased to ¥72,063 million (up 2.1%) due to a decline in income taxes.

A. Summary of Results by Segment for the Fiscal Year Ended March 31, 2015

(Millions of yen)

		Fiscal Year ended March 31, 2014	Fiscal Year ended March 31, 2015	Change (decrease)	Change (%)
Net Sales		473,572	466,291	(7,280)	(1.5)
	Theme Park	390,912	387,622	(3,290)	(0.8)
	Hotel	64,933	61,066	(3,867)	(6.0)
	Other	17,727	17,603	(123)	(0.7)
Operating Income		114,491	110,605	(3,886)	(3.4)
	Theme Park	97,154	95,665	(1,488)	(1.5)
	Hotel	15,897	13,138	(2,759)	(17.4)
	Other	1,261	1,602	341	27.1
	Elimination and Corporate	178	198	20	11.2
Ordinary Income		112,671	110,486	(2,185)	(1.9)
Net Income		70,571	72,063	1,491	2.1

[Theme Park] Tokyo Disneyland, Tokyo DisneySea and others

Both net sales and operating income decreased because it was the year following Tokyo Disney Resort 30th Anniversary.

Net Sales **¥387,622 million (down 0.8% from the previous fiscal year)**

In fiscal year ended March 2015, the new Tokyo Disneyland nighttime entertainment “Once Upon a Time” (premiered on May 29, 2014) and the new attraction “Jungle Cruise; Wildlife Expeditions” (opened September 8, 2014) were introduced. In addition, the new special event “Anna and Elsa’s *Frozen* Fantasy” debuted at Tokyo Disneyland from January to March 2015. These new products and the special events filled with seasonal happiness that were held at the two parks throughout the year proved to be highly popular.

Consequently, theme park attendance amounted to 31,377 thousand, up 0.3% from the previous fiscal year, achieving a record high.

On the other hand, net sales per guest decreased to ¥10,955 (down 1.1%) owing to the fact that the year followed on the heels of Tokyo Disney Resort 30th Anniversary events. Ticket receipts per guest increased to ¥4,660 (up 1.3%), merchandise sales per guest declined to ¥4,043 (down 3.4%), and food and beverages sales per guest dropped to ¥2,252 (down 1.7%).

Owing to the factors described above, net sales decreased as a whole.

Operating Income **¥95,665 million (down 1.5%)**

Operating income declined due to a rise in merchandise and food/beverages sales cost ratio as well as a decrease in net sales.

[Hotel] Tokyo Disneyland Hotel, Tokyo DisneySea Hotel MiraCosta and others
Operating income dropped as a result of a decrease in net sales mainly due to lower occupancy rates.

Net Sales **¥61,066 million (down 6.0%)**

Net sales decreased mainly because of lower occupancy rates resulting from a drop in theme park attendance from rural areas as the year followed Tokyo Disney Resort 30th Anniversary events.

The occupancy rates were in the higher-90% for Tokyo DisneySea Hotel MiraCosta and in the mid-90% for Tokyo Disneyland Hotel and Disney Ambassador Hotel.

Operating Income **¥13,138 million (down 17.4%)**

Operating income declined owing to a drop in net sales, among other factors.

[Other Business Segment] Ikspiari, Disney Resort Line and others
Despite a decrease in net sales, Operating income grew mainly because of a reduction in fixed and miscellaneous costs in Ikspiari business.

Net Sales **¥17,603 million (down 0.7%)**

Net sales in the Other business segment decreased mainly due to fall in net sales in the Monorail business.

Operating Income **¥1,602 million (up 27.1%)**

Operating income rose owing to reduced fixed and miscellaneous costs in Ikspiari business, among other factors.

B. Forecast of Results by Segment for the Fiscal Year Ending March 31, 2016

In the fiscal year ending March 31, 2016, net sales are projected to increase to ¥470,310 million (up 0.9% from the previous fiscal year) due mainly to an increase in net sales per guest resulting from revisions in ticket prices. Operating income and ordinary income, however, are expected to decrease to ¥106,050 million (down 4.1%) and ¥107,300 million (down 2.9%), respectively, mainly owing to a rise in fixed and miscellaneous costs brought about by large-scale theme park development projects. Net income, however, is forecast to climb to a record high ¥72,240 million (up 0.2%) due to a decline in income taxes, among others.

(Millions of yen)

		Results for the fiscal year ended March 31, 2015	Forecast for the fiscal year ending March 31, 2016	Change (decrease)	Change (%)
Net Sales		466,291	470,310	4,018	0.9
	Theme Park	387,622	390,670	3,047	0.8
	Hotel	61,066	62,240	1,173	1.9
	Other	17,603	17,400	(203)	(1.2)
Operating Income		110,605	106,050	(4,555)	(4.1)
	Theme Park	95,665	92,020	(3,645)	(3.8)
	Hotel	13,138	12,590	(548)	(4.2)
	Other	1,602	1,310	(292)	(18.3)
	Elimination and Corporate	198	130	(68)	(34.5)
Ordinary Income		110,486	107,300	(3,186)	(2.9)
Net Income		72,063	72,240	176	0.2

[Theme Park] Tokyo Disneyland, Tokyo DisneySea and others

Although net sales are projected to increase to due mainly to an increase in net sales per guest resulting from revisions in ticket prices, operating income is expected to decrease mainly owing to a rise in fixed and miscellaneous costs brought about by large-scale theme park development projects.

Net Sales **¥390,670 million (up 0.8% from the previous fiscal year)**

Tokyo Disneyland will roll out its renewed version of "Tokyo Disneyland Electrical Parade *Dreamlights*" on July 9 and a new attraction, "Stitch Encounter," on July 17. On April 24, Tokyo DisneySea will start offering its renewed "Mermaid Lagoon Theater" as well as a new musical show, "King Triton's Concert."

"Disney Easter," a regular spring event at Tokyo Disneyland, will be held for the first time at Tokyo DisneySea this year. The two theme parks will also offer other special seasonal events throughout the year.

Theme park attendance at the two parks combined, however, is expected to be 30.4 million (down 3.1% from the previous fiscal year) due to the fact that "Once Upon a Time" and "Anna and Elsa's *Frozen* Fantasy," which were particularly popular when first launched, will enter their second year of operation.

Net sales per guest are projected to be ¥11,360 (up 3.7%). Ticket receipts per guest are forecast to increase to ¥4,980 (up 6.9%) owing to the ticket price revision. Our forecast for merchandise sales per guest is ¥4,090 (up 1.2%) and for food and beverages is ¥2,290 (up 1.7%).

Due to the factors mentioned above, net sales are expected to increase.

Operating Income **¥92,020 million (down 3.8%)**

Despite an increase in net sales, operating income is projected to decrease mainly owing to a rise in fixed and miscellaneous costs related to the large scale development of theme parks.

[Hotel] Tokyo Disneyland Hotel, Tokyo DisneySea Hotel MiraCosta and others
Although net sales are expected to grow, operating income is forecast to decrease mainly due to an increase in fixed and miscellaneous costs such as repair expense.

Net Sales **¥62,240 million (up 1.9%)**

Three Disney hotels will continue to offer the "Happy 15 Entry" program at both theme parks. This program allows Disney hotel guests the privilege of entering the parks 15 minutes before opening time through dedicated entrances. We also plan to hold hotel events linked to special events at the theme parks, as well as staging appealing restaurant events unique to each hotel. In addition, Tokyo Disneyland Hotel will enjoy throughout the fiscal year the positive effect brought about by the guest room renovation implemented in February and March 2015.

Furthermore, hotels operated by Brighton Corporation are expected to demonstrate favorable performance, pushing up net sales generated by the Hotel Business as a whole.

Occupancy rates are forecast to be the lower-90% range for Disney Ambassador Hotel and Tokyo DisneySea Hotel MiraCosta, and the higher-90% range for Tokyo Disneyland Hotel.

Operating Income **¥12,590 million (down 4.2%)**

In spite of a rise in net sale, operating income is forecast to decline mainly owing to increased fixed and miscellaneous costs including repair expense.

[Other] Ikspiari, Disney Resort Line and others
Net sales and operating income are expected to decrease mainly due to a decline in net sales in the Monorail business.

Net Sales **¥17,400 million (down 1.2%)**

Net sales are forecast to decline mainly due to a decrease in net sales in Monorail business owing to decreased theme park attendance.

Operating Income **¥1,310 million (down 18.3%)**

Operating income is forecast to decrease mainly due to a decline in net sales in Monorail business and an increase in fixed and miscellaneous costs in Ikspiari business.

(2) Analysis of Consolidated Financial Position

A. Assets, Liabilities and Net Assets

[Assets]

Total assets as of March 31, 2015 were ¥746,641 million (up 12.4% compared with the end of the previous fiscal year).

Current assets rose to ¥242,330 million (up 39.0%) due to an increase in cash and deposits and short-term investment securities.

Noncurrent assets climbed to ¥504,311 million (up 2.9%) due to an increase in investment securities thanks to a rise of market-value evaluation of shares owned by us.

[Liabilities]

Total liabilities as of March 31, 2015 were ¥182,511 million (up 6.8%).

Current liabilities increased to ¥116,284 million (up 6.0%) as a result of various factors, including a rise in accounts payable – other.

Although long-term loans payable decreased owing to an early repayment of earthquake risk countermeasure financing (¥50,000 million) among other factors, noncurrent liabilities rose to ¥66,227 million (up 8.3%) due to an increase in bonds payable as a result of issuance of Unsecured strait bonds 11th series (¥20,000 million) and 12th series (¥30,000 million), a rise in deferred tax liability because of a rise of market value of securities held by us, and other factors.

[Net Assets]

Total net assets as of March 31, 2015 were ¥564,129 million (up 14.3%) due to various factors, including a growth in retained earnings owing to increased net income. Net worth ratio stood at 75.6 % (up 1.3 points).

B. Cash Flows

Despite decreases in net cash provided by operating activities and net cash used in investing activities, the balance of cash and cash equivalents at the end of the fiscal year under review was ¥106,279 million (an increase of ¥26,261 million compared with the end of the previous fiscal year) owing to an increase in net cash used in financing activities.

[Net Cash Provided by Operating Activities]

Net cash from operating activities decreased to ¥105,513 million (a decline of ¥15,161 million) due to factors including a rise in income taxes paid.

[Net Cash Used in Investing Activities]

Net cash used in investing activities was ¥68,100 million (a decrease of ¥44,743 million) due to factors that included purchases of property, plant and equipment.

[Net Cash Used in Financing Activities]

Net cash used in financing activities was ¥11,107 million (an increase of ¥66,761 million) due to factors such as proceeds from bond issue.

C. Indicators of Financial Position

	Fiscal year ended March 31, 2011	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net worth ratio (%)	62.3	61.8	65.9	74.3	75.6
Net worth ratio on market value basis (%)	96.0	119.4	195.1	197.3	407.0
Debt/equity ratio (times)	0.40	0.39	0.29	0.12	0.10
Interest-bearing debt to cash-flow ratio (%)	192.3	165.6	134.8	48.4	54.8
Interest coverage ratio (times)	35.7	46.5	52.2	130.2	181.0

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, 2015 and Ending March 31, 2016

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

We will set the year-end dividend for the fiscal year ended March 31, 2015 at ¥70.00 per share and the total cash dividends for the fiscal year increased by ¥20.00 to ¥140.00 per share. We plan to keep total dividend at ¥35.00 per share for the fiscal year ending March 31, 2016.

We will continue to provide a steady payout of cash dividends while also taking the external environment into consideration.

On April 1, 2015, Oriental Land Co., Ltd. conducted a four-for-one common stock split. The dividend forecast presented for the next fiscal year is based on a post-split basis. When calculated on a pre-split basis, the projected dividend is ¥140 per share, the same amount as in the fiscal year under review.

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

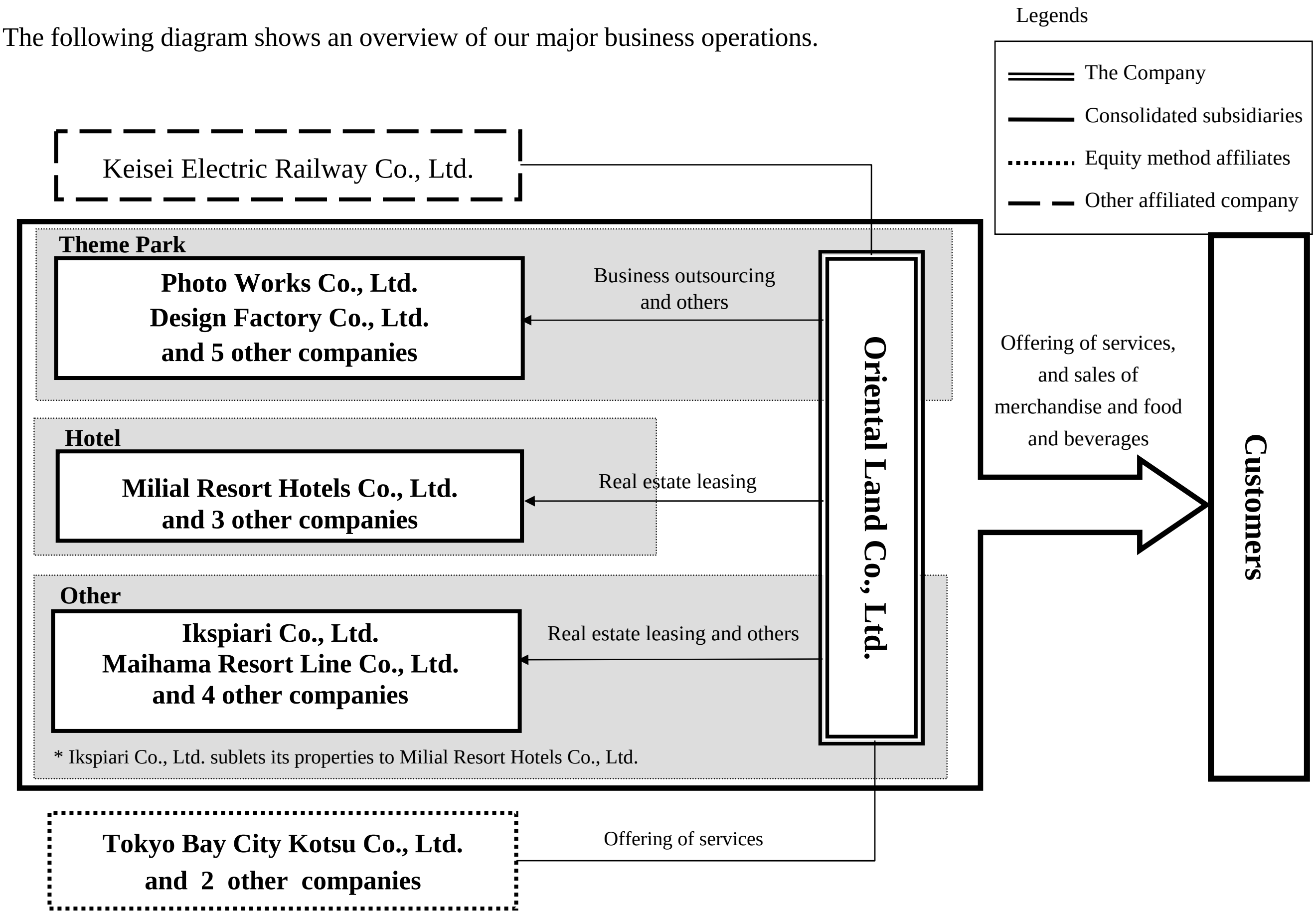
The OLC Group includes Oriental Land Co., Ltd, (the "Company"), 17 consolidated subsidiaries, 3 affiliated companies and 1 other affiliated company, with the main businesses being the management and operation of theme parks and hotels.

The main operations of each business segment and the main affiliates and other companies of the Company conducting each business during the period under the review were as follows:

		Main Operations	Main Companies (Note)
Segments	Theme Park	Management and operation of theme parks	Oriental Land Co., Ltd. (listed company) and 7 other companies
	Hotel	Management and operation of hotels	Milial Resort Hotels Co., Ltd. and 3 other companies
Other		Management and operation of Ikspiari Management and operation of monorail, and others	Ikspiari Co., Ltd. Maihama Resort Line Co., Ltd. and 5 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. We aim 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 our 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

In the fiscal year under review, we upheld "OLC in 2023," a vision that shows the long-term management direction in line with the current situation of OLC Group and changes in the market. In addition, we have started implementing the 2016 Medium-term Plan covering the first three years (fiscal year ending March 2015 through fiscal year ending March 2017) of our endeavor toward "OLC in 2023."

i. OLC in 2023

We presented "Long-term sustainable growth in core business" and "Achieving further growth through new business" as the two pillars of "OLC in 2023." By engaging in management stood on the long-term perspective, we will strive to enhance theme park value.

(i) Long-term sustainable growth in core business (Tokyo Disney Resort Business)

OLC in 2023: OLC will be maximizing theme park value by making full use of land in Maihama.

In an effort to enhance theme park value to build a business foundation in line with upcoming changes in the market, we will invest around 500.0 billion yen in the Theme Park Segment over a period of 10 years (fiscal year ending March 2015 through fiscal year ending March 2024). We are aiming to achieve annual theme park attendance of no less than 30.00 million by 2023 (average annual theme park attendance excluding anniversary years), while at the same time maintaining a high level of guest satisfaction.

[Formulation of a business foundation in line with upcoming changes in the market]

Toward formulating a business foundation in line with upcoming market changes such as an increase in the middle-and-older-aged population and the number of inbound foreign travelers, we will strive to maximize theme park value.

About the rise in the middle-and-older-aged population is an imperative factor with regard to the further growth of the "family" market. Especially we recognize existing guests who are reaching middle and older age as the growth opportunities resulting in more diversified and expanded types of groups.

OLC Group will primarily focus on attracting family groups of various forms and ages, and expand products catered to family guests including younger age guests, a category offering high potential of being a foundation of our future guests. In addition, we will create an environment for the middle-and-older-aged guests.

Moreover, mainly by creating an acceptance environment, we will aim to attract as many overseas guests as possible.

[Investment aimed at maximizing theme park value]

By expanding products catered to family guests and creating a more comfortable and satisfying environment for them, we will aim at increasing theme park attendance along with guest satisfaction. Specifically, we will be making investments designed to enhance value and execute refurbishments and improvements, including investments in new products and measures to create a more comfortable and satisfying environment at our two theme parks. We will also further reinforce our back stage, the foundation of our park operations.

Upon investing in the two theme parks, we are envisaging large-scale development projects aimed at significantly boosting the value of our parks and enhancing their capacities. We will examine the possibilities for renewing and expanding Fantasyland at Tokyo Disneyland under the themes of the Disney movies "Beauty and the Beast" and "Alice in Wonderland" as well as developing a new themed port at Tokyo DisneySea under the theme of Scandinavia, which will include an area where guests can experience the world of the Disney film *Frozen*.

(ii) Achieving further growth through new business

OLC in 2023: OLC Will Have Established a New Growth Pillar Outside the Maihama Area

Our new business will be a business that can bring dreams, moving experiences, happiness, and contentment by offering unprecedented value and experience. Investments will be made aiming for new growth outside the Maihama area. We will aim to grow the new business into a size large enough to form a single business segment by 2023.

ii. 2016 Medium-term Plan

The 2016 Medium-term Plan will cover the crucial first three years in the next decade, leading up to OLC in 2023. Under the plan, we will embark on measures to achieve long-term sustainable growth in our core business and further growth through new business. Our quantitative target is to achieve cash flows from operating activities of over ¥280.0 billion in a three-year period. Toward OLC in 2023, we will endeavor to maximize cash flows from operating activities to make large-scale investments in our core business and fund investments in new business. The above quantitative target is about 5% higher than the figure recorded for the three-year period under the 2013 Medium-term Plan (from fiscal year ended March 2012 to fiscal year ended March 2014). For the fiscal year ended March 2015, the first year covered by the 2016 Medium-term Plan, cash flows from operating activities reached ¥106.7 billion. For the fiscal year ending March 2016, cash flows from operating activities are projected to be ¥109.1 billion, exceeding our target.

(i) Long-term sustainable growth in core business

While seeking to build a business foundation in line with upcoming changes in the market, we will strive to maximize cash flows from operating activities. Toward OLC in 2023, we will decide on and sequentially launch large-scale investment projects and other measures that help us maximize the value of our theme parks.

[Target]

Seeking to build a business foundation in line with upcoming changes in the market, we will place special focus on attracting “all kinds of families including parents and children, couples, and multigenerational extended families.” In particular, we will reinforce our measures to draw in “families with children” and “middle-aged couples whose children have grown up,” while also striving to be more prepared to welcome guests from overseas. By implementing the following strategies for these target guest categories, we will aim to enhance our earning power and capacity to attract guests.

[Enhance theme park value]

Based on our focus on new business development and the scrap & build strategy, we will introduce new products in phases and proceed with initiatives to create a more comfortable and satisfying environment in an effort to enhance the value of our theme parks. In fiscal year ended March 2015, the new Tokyo Disneyland nighttime entertainment “Once Upon a Time” and the new attraction “Jungle Cruise; Wildlife Expeditions” were introduced. In the fiscal year ending March 2016, Tokyo DisneySea will start offering its renewed “Mermaid Lagoon Theater” as well as a new musical show, “King Triton’s Concert.” Tokyo Disneyland will roll out its renewed version of “Tokyo Disneyland Electrical Parade *Dreamlights*” and a new attraction, “Stitch Encounter.”

In addition, toward OLC in 2023, we will decide on and sequentially launch large-scale investment projects and other measures that help us maximize the value of our theme parks.

[Increase theme park attendance by stabilizing attendance levels]

By rolling out special events in combination with marketing activities, we will strengthen our capacity to attract guests during the low-demand periods of the first and fourth quarters with the aim of stabilizing and enhancing theme park attendance. During the fiscal year ended March 2015, “Anna and Elsa’s *Frozen* Fantasy” was rolled out in the fourth quarter as a new special event, gaining huge popularity. During the fiscal year ending March 2016, “Disney Easter” will be delivered at both theme parks in the first quarter as part of our ongoing efforts to increase theme park attendance by stabilizing attendance levels.

[Pricing strategy that reflects experience value]

By creating new value and setting prices strategically, we will aim to increase unit price in the medium and long term. To reflect the positive result of our efforts to enhance theme park value, we will revise ticket prices on April 1, 2015 for the first time in four years excluding the revision made at the time of the consumption tax hike.

[Be more prepared to welcome overseas guests]

We will continue to aim at attracting every possible overseas traveler by strengthening our appeal to overseas guests and enhancing experience value by improving both our tangible and intangible features so as to be more prepared to welcome overseas guests, thereby raising our level of hospitality toward them.

(ii) Further growth through new business

In our endeavor toward “OLC in 2023,” we will conduct research and investigations into projects with the potential to contribute to future earnings outside the Maihama area. During the period covered by the current 2016 Medium-term Plan, we will be exploring areas such as leisure, entertainment, and education in search of a business that can be developed into a new growth pillar. With regard to how the new business will be developed, we will examine and select the optimal means for achieving success from among a wide range of methods including business alliance and M&A, in addition to launching the business from scratch.

(iii) Financial policies

We will use cash flows from operating activities (and interest-bearing debt if necessary) for future growth, while continuing to strive to increase cash flows from operating activities. This will result in further generation of free cash flow, which will be used to enhance our corporate value.

[Shareholder returns]

We will continue to attach importance to shareholder returns and aim for a steady payout of cash dividends while taking into account external factors. Also, we will continue to aim for an ROE of at least 8% by achieving earnings growth and directly returning profits to our shareholders.

4. 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.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	At the end of the previous fiscal year (March 31, 2014)	At the end of the fiscal year (March 31, 2015)
ASSETS		
Current assets		
Cash and deposits	93,518	149,779
Notes and accounts receivable—trade	20,750	24,696
Short-term investment securities	36,509	41,499
Merchandise and finished goods	9,371	11,627
Work in process	57	130
Raw materials and supplies	5,180	5,584
Deferred tax assets	6,273	6,235
Other	2,692	2,778
Allowance for doubtful accounts	(1)	(2)
Total current assets	174,352	242,330
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	623,349	630,897
Accumulated depreciation	(337,359)	(354,925)
Buildings and structures, net	285,990	275,971
Machinery, equipment and vehicles	250,998	252,923
Accumulated depreciation	(220,023)	(225,596)
Machinery, equipment and vehicles, net	30,974	27,327
Land	107,976	110,379
Construction in progress	5,962	13,842
Other	76,693	77,697
Accumulated depreciation	(68,808)	(68,681)
Other, net	7,884	9,016
Total property, plant and equipment	438,788	436,537
Intangible assets		
Goodwill	991	743
Other	8,742	10,354
Total intangible assets	9,734	11,098
Investments and other assets		
Investment securities	33,478	47,413
Long-term loans receivable	354	1
Net defined benefit asset	2,096	3,179
Deferred tax assets	884	874
Other	4,969	5,318
Allowance for doubtful accounts	(120)	(113)
Total investments and other assets	41,664	56,675
Total noncurrent assets	490,186	504,311
Total assets	664,538	746,641

(Millions of yen)

	At the end of the previous fiscal year (March 31, 2014)	At the end of the fiscal year (March 31, 2015)
LIABILITIES		
Current liabilities		
Notes and accounts payable—trade	20,216	18,835
Current portion of long-term loans payable	5,579	4,461
Income taxes payable	27,240	21,181
Reserve for loss on disaster	106	83
Other	56,563	71,722
Total current liabilities	109,706	116,284
Noncurrent liabilities		
Bonds payable	—	50,000
Long-term loans payable	52,849	3,365
Net defined benefit liability	2,930	3,185
Other	5,355	9,676
Total noncurrent liabilities	61,135	66,227
Total liabilities	170,841	182,511
NET ASSETS		
Shareholders' equity		
Capital stock	63,201	63,201
Capital surplus	111,860	111,911
Retained earnings	358,955	418,716
Treasury stock	(46,684)	(46,863)
Total shareholders' equity	487,332	546,966
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,014	15,107
Deferred gains or losses on hedges	—	4
Remeasurements of defined benefit plans	350	2,051
Total accumulated other comprehensive income	6,365	17,162
Total net assets	493,697	564,129
Total liabilities and net assets	664,538	746,641

(2) Consolidated Statements of Income

(Millions of yen)

	Fiscal Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Fiscal Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)
Net sales	473,572	466,291
Cost of sales	301,068	295,924
Gross profit	172,504	170,367
Selling, general and administrative expenses	58,012	59,762
Operating income	114,491	110,605
Non-operating income		
Interest income	359	407
Dividends income	515	503
Equity in earnings of affiliates	112	132
Insurance and dividends income	489	571
Other	1,267	923
Total non-operating income	2,744	2,539
Non-operating expenses		
Interest expenses	1,161	486
Loss on bond retirement	2,761	—
Loss on retirement of non-current assets	28	1,071
Commission fee	262	687
Other	350	413
Total non-operating expenses	4,563	2,658
Ordinary income	112,671	110,486
Income before income taxes and minority interests	112,671	110,486
Income taxes—current	41,307	38,422
Income taxes—deferred	792	0
Total income taxes	42,099	38,422
Income before minority interests	70,571	72,063
Net income	70,571	72,063

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Fiscal Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)
Income before minority interests	70,571	72,063
Other comprehensive income		
Valuation difference on available-for-sale securities	61	9,093
Deferred gains or losses on hedges	—	4
Remeasurements of defined benefit plans, net of tax	—	1,700
Total other comprehensive income	61	10,797
Comprehensive income	70,633	82,860

(3) Consolidated Statements of Changes in Net Assets

Fiscal Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	63,201	111,584	298,400	(46,876)	426,309
Changes of items during the period					
Dividends from surplus			(10,017)		(10,017)
Net income			70,571		70,571
Disposal of treasury stock		275		191	467
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	275	60,554	191	61,022
Balance at the end of current period	63,201	111,860	358,955	(46,684)	487,332

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of current period	5,952	—	5,952	432,262
Changes of items during the period				
Dividends from surplus				(10,017)
Net income				70,571
Disposal of treasury stock				467
Net changes of items other than shareholders' equity	61	350	412	412
Total changes of items during the period	61	350	412	61,435
Balance at the end of current period	6,014	350	6,365	493,697

Fiscal Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	63,201	111,860	358,955	(46,684)	487,332
Cumulative effect of accounting change		51	(1,418)	(366)	(1,733)
Balance at the beginning of current period (reflected to accounting change)	63,201	111,911	357,536	(47,051)	485,598
Changes of items during the period					
Dividends from surplus			(10,883)		(10,883)
Net income			72,063		72,063
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock				188	188
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	61,180	187	61,368
Balance at the end of current period	63,201	111,911	418,716	(46,863)	546,966

	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 the beginning of current period	6,014	—	350	6,365	493,697
Cumulative effect of changes in accounting policies					(1,733)
Balance at the beginning of current period (reflecting changes in accounting policies)	6,014	—	350	6,365	491,963
Changes of items during the period					
Dividends from surplus					(10,883)
Net income					72,063
Purchase of treasury stock					(0)
Disposal of treasury stock					188
Net changes of items other than shareholders' equity	9,093	4	1,700	10,797	10,797
Total changes of items during the period	9,093	4	1,700	10,797	72,165
Balance at the end of current period	15,107	4	2,051	17,162	564,129

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year ended March 31, 2014 (April 1, 2013 to March 31, 2014)	Fiscal Year ended March 31, 2015 (April 1, 2014 to March 31, 2015)
Net cash provided by (used in) operating activities		
Income before income taxes	112,671	110,486
Depreciation and amortization	36,934	34,637
Amortization of goodwill	247	247
Increase (decrease) in provision	(83)	(30)
Increase (decrease) in net defined benefit liability	(2,060)	285
Interest and dividend income	(874)	(911)
Interest expenses	1,161	486
Foreign exchange losses (gains)	12	44
Equity in (earnings) losses of affiliates	(112)	(132)
Loss on redemption of bonds	2,761	―
Decrease (increase) in notes and accounts receivable—trade	(1,415)	(3,749)
Decrease (increase) in inventories	(373)	(2,732)
Increase (decrease) in notes and accounts payable—trade	1,987	129
Increase (decrease) in accrued consumption taxes	1,289	3,921
Other, net	2,913	6,953
Subtotal	155,060	149,635
Interest and dividends income received	982	870
Interest expenses paid	(927)	(583)
Income taxes paid	(34,440)	(44,409)
Net cash provided by (used in) operating activities	120,674	105,513
Net cash provided by (used in) investing activities		
Payments into time deposits	(70,000)	(95,000)
Proceeds from withdrawal of time deposits	68,000	70,000
Purchase of securities	―	(17,499)
Proceeds from redemption of securities	700	7,510
Purchases of property, plant and equipment	(18,594)	(27,973)
Proceeds from sale of property, plant and equipment	19	7
Purchases of investment securities	(690)	(709)
Payments of loans receivable	(2)	(1)
Collection of loans receivable	85	350
Other, net	(2,874)	(4,784)
Net cash provided by (used in) investing activities	(23,356)	(68,100)
Net cash provided by (used in) financing activities		
Proceeds from long-term loans payable	3,783	5,000
Repayment of long-term loans payable	(19,353)	(55,601)
Proceeds from bonds issue	―	49,852
Redemption of bonds	(52,761)	―
Cash dividends paid	(9,991)	(10,844)
Purchases of treasury stock	―	(0)
Payments for long-term accounts payable—other	(5)	(5)
Other, net	459	491
Net cash provided by (used in) financing activities	(77,868)	(11,107)
Effect of exchange rate change on cash and cash equivalents	(14)	(44)
Net increase (decrease) in cash and cash equivalents	19,434	26,261
Cash and cash equivalents at beginning of period	60,582	80,017
Cash and cash equivalents at end of period	80,017	106,279