

Financial results Presentation For the year ended June 30, 2014



【Left】 Kyoto University Hospital HIMEDIC Ward
(Tentative name) exterior image

【center】 HIMEDIC Nagoya exterior image

【right】 Tokyo Bayside PET Center (tentative name)
image



Resorttrust, Inc.
(Securities code 4681)

Since accounting policies were changed effective from the first quarter under review, percentage of change from the previous fiscal year and that from the same quarter of the previous fiscal year were calculated using the figures after retroactive adjustments.

Disclaimer Regarding Forward-looking Statements

Any statements in this presentation document, other than those of historical fact, are forward-looking statements about the future performance of Resorttrust, inc. and its group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts.

Topics for the year ending March 31, 2015

- (1) Opened the private nursing home "Trust Gurden Todoroki" (Tokyo Setagaya) (April 1, 2014)**
- (2) Started running "Mega Solar Nasu Shirakawa" (Fukushima) (April 1, 2014)**
- (3) Started operating the Private Nursing Home "Yuga Higashiminemachi (Ota-ku, Tokyo)" (April 1, 2014)**
- (4) Notice of Dividend Forecast (Dividend Increase) of the Fiscal Year Ending March, 2015 (May 15, 2014)**
- (5) Holding of the Resorttrust Ladies golf championship
(was held at Kansai Golf Club from May 30 to June 1 ,2014)**
- (6) Notice of Conclusion of a strategic alliance with Inspilato LLC, managed to Luxury Membership Resorts
(July 1, 2014)**
- (7) Notice of Adjustment to the conversion price of the yen-denominated convertible bonds with stock acquisition rights maturing in 2018 (July 15, 2014)**
- (8) Notice of Acquisition of Noncurrent Assets for a New Hotel at Hamamatsu in Shizuoka Prefecture
(July 29, 2014)**
- (9) Notice concerning the purchase and sale agreement "The Kahala Hotel & Resort"
in United States, Hawaii including certain conditions precedent (July 31, 2014)**
- (10) Holding of the Dunlop Srixon Fukushima Open
(was held at Grandee Nasu Shirakawa Golf Club from July 31 to August 2 ,2013)**
- (11) Announcement of decision to donate HIMEDIC Ward to Kyoto University Hospital (August 6, 2014)**
- (12) Announcement of new establishment of "Tokyo Bayside PET Center (tentative name)" ,
"HIMEDIC Nagoya " and "HIMEDIC Kyoto University Hospital Course"
at Kyoto University Hospital HIMEDIC Ward (August 7, 2014)**

Financial Highlights



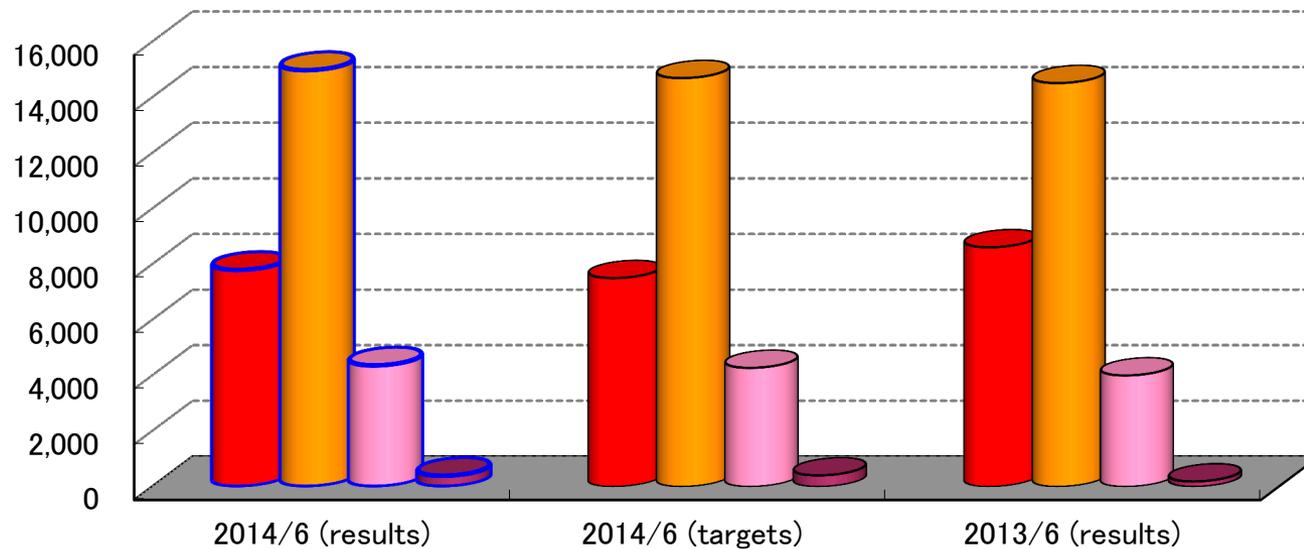
(¥ millions)

	2014/6 (results)	2014/6 (targets)	Difference	2013/6 (results)	Change
Net Sales	27,559	26,900	+2.5%	27,342	+0.8%
Operating Income	2,993	2,200	+36.1%	3,068	(2.4%)
Ordinary Income	3,266	2,500	+30.7%	4,224	(22.7%)
Net Income	1,918	1,500	+27.9%	1,668	+15.0%

Segment Sales



(¥ millions)

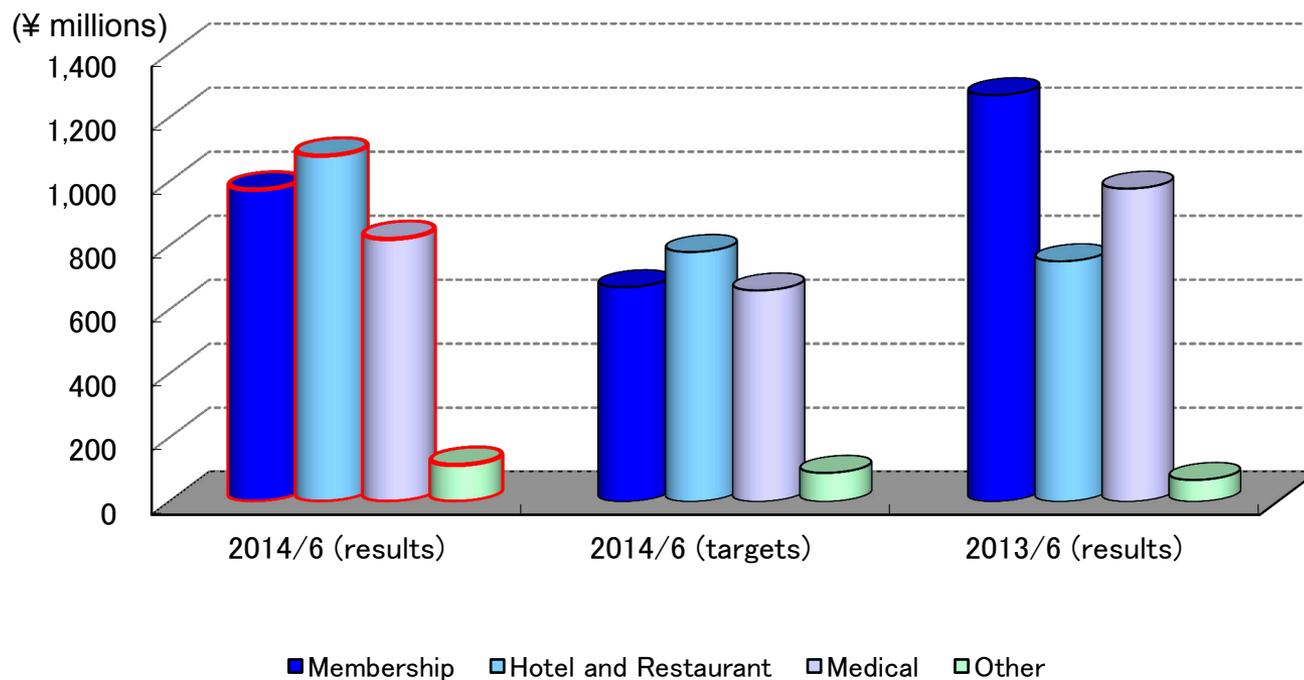


■ Membership ■ Hotel and Restaurant ■ Medical ■ Other

(¥ millions)

	Membership	Hotel and Restaurant	Medical	Other	Total
2014/6 (results)	7,805	14,987	4,369	397	27,559
2014/6 (targets)	7,510	14,700	4,280	410	26,900
Difference	+3.9%	+2.0%	+2.1%	(3.1%)	+2.5%
2013/6 (results)	8,619	14,522	4,007	192	27,342
Change	(9.5%)	+3.2%	+9.0%	+106.6%	+0.8%

Segment Operating Income



	Membership	Hotel and Restaurant	Medical	Other	Total
2014/6 (results)	975	1,081	821	115	2,993
2014/6 (targets)	670	780	660	90	2,200
Difference	+45.6%	+38.6%	+24.5%	+28.3%	+36.1%
2013/6 (results)	1,270	751	978	68	3,068
Change	(23.2%)	+43.9%	(16.0%)	+67.7%	(2.4%)

(¥ millions)

Sales of Membership (Contract Values)



(¥ billions)

	2014/6 results	2014/6 targets	Difference	2013/6 results	Change	※ Progress rate of contract (cumulative)	2015/3 targets
XIV Kanto (planning)	—	—	—	—	—	—	8.3
XIV Toba Villa	2.7	3.0	(0.3)	—	+2.7	26.3%	12.4
XIV Karuizawa PASEO	0.4	0.7	+0.3	0.4	(0.0)	—	1.2
XIV Karuizawa SV MUSEO	0.6			0.6	(0.0)	—	
XIV Yamanakako SV	0.4	0.6	(0.2)	0.7	(0.3)	89.9%	1.7
XIV Arima Rikyu	1.1	0.4	+0.7	1.3	(0.2)	93.2%	1.6
XIV Hakone Rikyu	0.9	0.5	+0.3	0.3	+0.5	—	1.3
Other	2.2	3.1	(0.9)	2.7	(0.5)	—	14.6
All XIV resorts	8.2	8.4	(0.2)	6.0	+2.2	—	41.2
Tokyo Baycourt Club	0.8	0.3	+0.5	2.0	(1.3)	—	1.2
Sun Members FLEX CLUB	0.1	0.1	+0.0	0.1	+0.1	—	0.3
Golf	0.3	0.5	(0.2)	0.4	(0.1)	—	1.4
Cruiser	0.0	0.0	+0.0	0.0	+0.0	—	0.0
HIMEDIC	1.1	0.9	+0.2	1.4	(0.3)	—	3.9
Total	10.6	10.2	+0.5	9.9	+0.7	—	47.9

※ Progress rate of the total contract amount

Sales of Hotel Membership

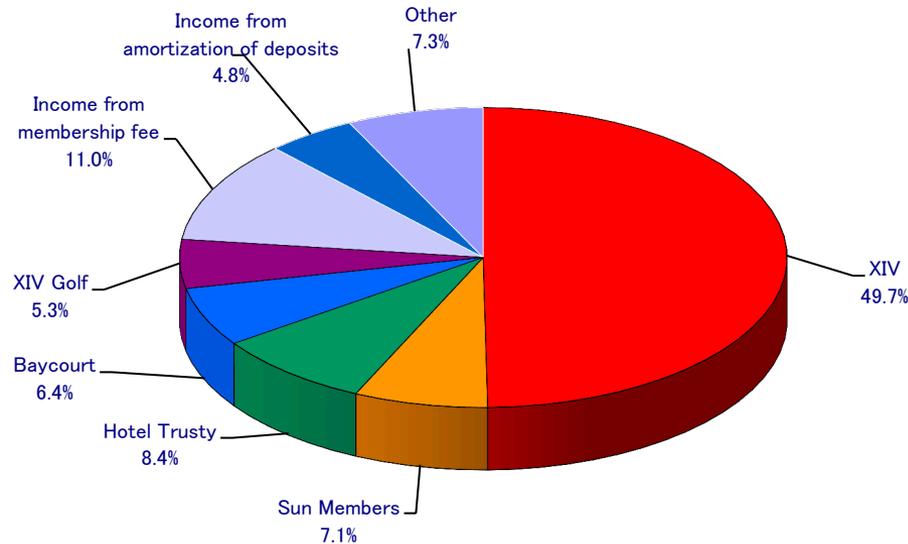


(¥ billions)

	2014/6 results	2014/6 targets	Difference	2013/6 results	Change	2015/3 targets
XIV Kanto(planning)	—	—	—	—	—	7.9
XIV Toba Villa	2.5	2.9	(0.3)	—	+2.5	11.7
XIV Karuizawa PASEO	0.4	0.7	+0.3	0.4	(0.0)	1.2
XIV Karuizawa SV MUSEO	0.6			0.6	(0.0)	
XIV Yamanakako SV	0.3	0.6	(0.2)	0.6	(0.3)	1.6
XIV Arima Rikyu	0.9	0.4	+0.6	1.1	(0.2)	1.4
XIV Hakone Rikyu	0.8	0.5	+0.3	0.3	+0.5	1.2
Other XIV	1.8	2.6	(0.9)	2.3	(0.6)	12.6
XIV resorts Subtotal	7.4	7.6	(0.2)	5.4	+2.0	37.6
Deferred Sales [XIV Kanto(planning)]	—	—	—	—	—	(4.5)
Deferred Sales (XIV Toba Villa)	(1.5)	(1.6)	+0.2	—	(1.5)	(6.7)
All XIV resorts	5.9	6.0	(0.1)	5.4	+0.5	26.4
Tokyo Baycourt Club	0.7	0.2	+0.4	1.8	(1.1)	1.1
Sun Members FLEX CLUB	0.1	0.1	+0.0	0.0	+0.0	0.2
Golf	0.2	0.2	(0.0)	0.2	(0.0)	0.8
Cruiser	0.0	0.0	+0.0	0.0	+0.0	0.0
HIMEDIC	1.1	0.9	+0.2	1.3	(0.2)	3.9
Total	7.9	7.4	+0.5	8.7	(0.8)	32.4

※Sales of Hotel/Golf/Cruiser Membership is recorded in the Membership Segment and Sales of HIMEDIC Membership is recorded in Medical Segment.

Consolidated Net Sales by Hotel and Restaurant Operations



(¥ millions)

	2014/6 results	2014/6 targets	2013/6 results	2015/3 targets
XIV	7,456	7,457	7,411	32,331
Sun Members	1,066	1,019	939	4,643
Hotel Trusty	1,260	1,193	1,051	4,959
Baycourt	956	914	907	4,173
XIV Golf	789	798	776	2,937
Income from membership fees	1,654	1,638	1,620	6,627
Income from amortization of deposits	714	714	726	2,859
Other	1,088	963	1,089	4,368
Total	14,987	14,700	14,522	62,900

<HOTEL>

Number of overnight visitors

(Thousands)

	2013/6 results	2014/6 results	2014/6 targets	2013/3 results	2014/3 results	2015/3 targets
XIV	394	392	394	1,816	1,816	1,825
Sun Members	104	114	111	428	475	487
Hotel Trusty	123	144	140	472	559	581
Baycourt	26	28	27	109	124	125

Occupancy rates

(%)

	2013/6 results	2014/6 results	2014/6 targets	2013/3 results	2014/3 results	2015/3 targets
XIV	47.9	48.3	47.9	53.3	53.7	53.8
Sun Members	59.6	62.8	60.3	59.3	62.8	63.9
Hotel Trusty	85.9	87.3	86.5	85.7	87.1	88.1
Baycourt	41.4	46.0	42.7	41.4	48.3	48.6

Spending per visitor

(¥)

	2013/6 results	2014/6 results	2014/6 targets	2013/3 results	2014/3 results	2015/3 targets
XIV	18,811	19,016	18,903	17,430	17,586	17,709
Sun Members	9,018	9,273	9,151	9,198	9,457	9,524
Hotel Trusty	8,544	8,729	8,474	8,218	8,514	8,523
Baycourt	34,089	33,812	33,630	34,014	32,854	33,364

<High-Grade Rental Residences for Seniors>

(%)

	2013/6 results	2014/6 results	2014/6 targets	2013/3 results	2014/3 results	2015/3 targets
Occupancy rates	89.8	73.9	76.0	89.6	76.6	81.8
number of rooms	528	902	902	528	813	902

※Trust Grace Mikage : We acquired in May 2013. Consolidation from September 2013.

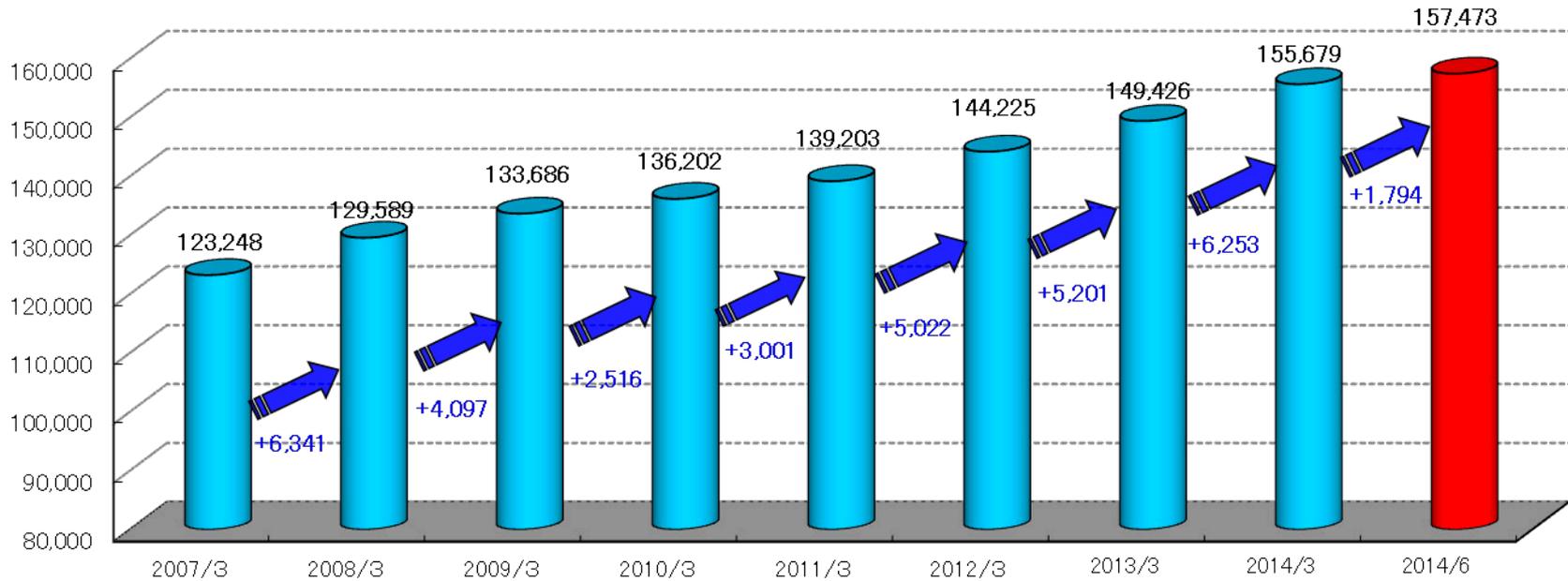
※Trust Garden Todoroki : We opened in April 2014

※Yuga Higashinemachi : We acquired in May 2014

Number of Members



(Members)



(Members)

	Baycourt	XIV	Sun Members	Golf	Medical	Cruiser	Total
2014/3	8,424	70,431	36,124	29,712	10,523	465	155,679
2014/06	8,454	71,465	36,039	29,973	11,060	482	157,473
Change 2014/4-2014/06	+30	+1,034	(85)	+261	+537	+17	+1,794
Change 2013/4-2014/06	+142	+605	(125)	+298	+587	(54)	+1,453



The Kahala Hotel & Resort

(We entered into a purchase and sale agreement including certain conditions precedent in July 31, 2014)

Consolidated Balance Sheets



(¥ millions)

	2014/3	2014/6	Change		2014/3	2014/6	Change
Total current assets	113,904	103,983	(9,920)	Total current liabilities	48,523	43,566	(4,957)
Cash and deposits	46,151	26,445	(19,706)	Notes and accounts payable-trade	913	851	(61)
Notes and accounts receivable-trade	5,979	4,788	(1,191)	Short-term loans payable	7,839	6,693	(1,145)
Operating loans	23,305	23,928	+622	Current portion of bonds	1,675	750	(925)
Short-term investment securities	15,698	26,695	+10,996	Accounts payable-other and accrued expenses	22,299	13,244	(9,055)
Merchandise, raw materials and supplies	1,510	1,521	+11	Advance received	3,354	4,871	+1,517
Real estate for sale	5,845	4,818	(1,026)	Other	12,442	17,153	+4,711
Real estate for sale in process	8,985	9,004	+19	Total noncurrent liabilities	170,855	170,467	(387)
Deferred tax assets	4,033	3,079	(954)	Bonds payable and long-term loans payable	39,993	43,722	+3,729
Other	2,393	3,701	+1,308	Long-term guarantee deposited	103,924	99,764	(4,159)
Total noncurrent assets	186,869	192,964	+6,094	Bonds with subscription rights to shares	15,064	15,061	(3)
Property, plant and equipment, net	119,967	120,093	+125	Other	11,872	11,918	+46
Intangible assets	3,104	3,042	(61)	Total liabilities	219,378	214,033	(5,345)
Investments and other assets	63,797	69,828	+6,030	Net Assetes	81,395	82,914	+1,519
				Shareholders' equity	77,895	79,038	+1,143
				Treasury stock	(4,971)	(4,839)	+132
				Total valuation and translation adjustments	1,465	1,540	+74
				Subscription rights to shares	133	109	(23)
				Minority interests	6,872	7,065	+192
Total assets	300,774	296,948	(3,825)	Total liabilities and net assets	300,774	296,948	(3,825)

Consolidated Cash Flows



(¥ millions)

	2013/6	2014/6
Net cash provided by (used in) operating activities	2,567	1,802
Net cash provided by (used in) investment activities	(10,366)	(16,729)
Net cash provided by (used in) financing activities	1,517	2,304
Effect of exchange rate changes on cash and cash equivalents	1	(0)
Net increase (decrease) in cash and cash equivalents	(6,280)	(12,621)
Cash and cash equivalents at end of period	32,436	39,343

Targets for 2015/3



	2014/3 results	2015/3 targets	
	(¥ millions)	(¥ millions)	Change
Net sales	116,824	114,600	(1.9%)
Operating income	15,190	15,200	+0.1%
《vs. net sales (%)》	《13.0%》	《13.3%》	
Ordinary income	16,830	15,900	(5.5%)
《vs. net sales (%)》	《14.4%》	《13.9%》	
Net income	8,733	9,800	+12.2%
《vs. net sales (%)》	《7.5%》	《8.6%》	

Net income per share (¥)	※	89.71	99.86
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End of 2nd Quarter dividend (¥)	※	15.00	18.00
Year-End dividend (¥)		16.00	18.00
Annual Cash dividend (¥)	※	31.00	36.00

A 1-for-2 stock split has been conducted as of January 1, 2014.

*Regarding net income per share and dividend per share, the amount is calculated under the assumption that the said stock split was conducted at the beginning of the fiscal year ended March 31, 2014.

Effects of Deferred Revenue from properties before completion of construction

«Method of recording sales and income from property before completion of construction»

Registration fee → treated as income upon signing
 Sales or Cost of the real estate → deferred until the Hotel opens

(100 Millions of Yen)

Fiscal year		Results for 2012		Results for 2013		Targets for 2014		(For reference) Predictions for 2015	
Contract amount of properties before completion of construction				(XIV Toba Villa) 6.6 billion		(XIV Toba Villa) 12.4 billion (XIV Kanto) 8.3 billion			
Deferred sales and income from properties		Sales	Income	Sales	Income	Sales	Income	Sales	Income
XIV Toba Villa (RH①)	Value deferred	-	-	(36)	(11)	(67)	(20)	-	-
	Value realized	-	-	-	-	-	-	+104	+31
XIV Kanto (RH②)	Value deferred	-	-	-	-	(45)	(13)	(Unspecified value)	(Unspecified value)
	Value realized	-	-	-	-	-	-	-	-
RH③	Value deferred	-	-	-	-	-	-	(Unspecified value)	(Unspecified value)
	Value realized	-	-	-	-	-	-	-	-
Value affected (included in disclosed figures)		-	-	(36)	(11)	(112)	(33)	(Unspecified value)	(Unspecified value)

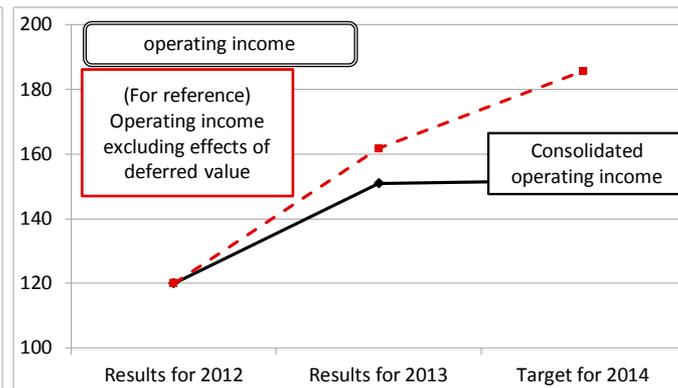
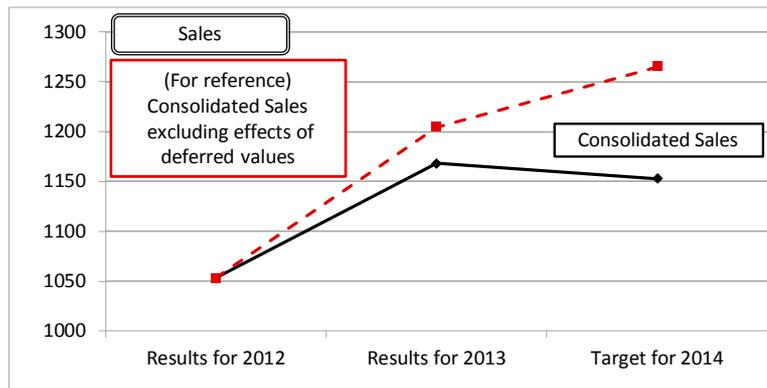
Extra costs such as real estate acquisition tax and opening cost, which usually range from -0.5 to -1.0 billion yen for each XIV hotel, will be added upon opening.

XIV Toba Villa is scheduled to open in Mar. 2016.

Deferred until opening of the facility

Financial highlights of consolidated results	Results for 2012		Results for 2013		Targets for 2014	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Disclosed figures (Recorded value)	1,053	120	1,168	151	1,146	152
(For reference) Value excluding effects of deferred values	1,053	120	1,204	162	1,258	185

Upward trend in both sales and profit excluding effects of values deferred



Targets for Segment (Net Sales)



<Sales>

(¥ millions)

	(Old Segment) 2014/3 (result)	Impact	(New Segment) 2014/3(result)	(New Segment) 2015/3 (targets)	
Membership	32,171	+4,103	36,274	31,920	(12.0%)
Hotel and Restaurant	57,784	+4,519	62,303	62,900	+1.0%
Golf	8,623	(8,623)			
Medical	17,341	—	17,341	18,100	+4.4%
Other	904	—	904	1,680	+85.8%
Total	116,824	—	116,824	114,600	(1.9%)

Along with organizational changes effective from April 1, 2014, segmentation will be changed on and after the fiscal year ending March 31, 2015.

For existing Golf Operations segment, operations of golf course with hotel and operations of golf course restaurant will be moved to HR segment and operations of other golf course and operations of sale of golf course membership will be moved to Membership Operations segment.

Targets for Segment (Operating Income)



<Operating Income>

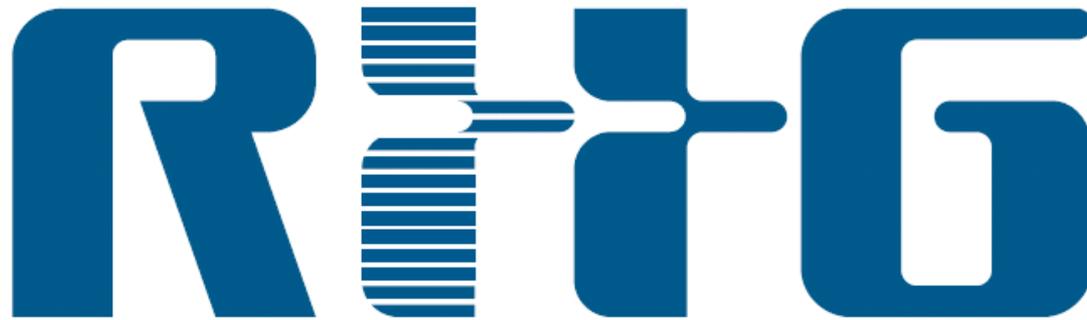
(¥ millions)

	(Old Segment) 2014/3 (result)	Impact
Membership	5,877	+374
Hotel and Restaurant	4,754	+176
Golf	549	(549)
Medical	3,755	—
Other	253	—
Total	15,190	—

	(New Segment) 2014/3(result)	(New Segment) 2015/3 (targets)	
Membership	6,251	5,730	(7.8%)
Hotel and Restaurant	4,930	5,350	+9.0%
Medical	3,755	3,580	(4.4%)
Other	253	540	+113.3%
Total	15,190	15,200	+0.5%

Along with organizational changes effective from April 1, 2014, segmentation will be changed on and after the fiscal year ending March 31, 2015.

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