

RESORTTRUST FINANCIAL DATE

CONSOLIDATED FINANCIAL SUMMARY

FY 2014 (from Apr. 2014 to Dec. 2014)



RESORTTRUST
GROUP

(securities code: 4681)

CONSOLIDATED FINANCIAL SUMMARY

For the Third Quarter Ended Dec. 31, 2012, 2013 and 2014

| | 3Q | | | Fiscal Year | |
|---|-------------|-------------|-----------------|-------------------|----------------------------|
| | Dec 31,2012 | Dec 31,2013 | Dec 31,2014 | 2014/03 result | 2015/03 revision target |
| Net sales | 80,546 | 88,530 | 90,858 | 116,824 | 116,900 |
| Operating income | 11,346 | 14,453 | 15,245 | 15,190 | 15,500 |
| Ordinary income | 11,805 | 15,860 | 19,405 | 16,830 | 18,000 |
| Net income (interim) | 7,170 | 8,820 | 12,220 | 8,733 | 11,200 |
| Net assets | 71,758 | 81,517 | 93,425 | 81,395 | |
| Assets | 248,821 | 280,936 | 384,190 | 300,774 | |
| Net assets per share (yen) | ※ 1,362.12 | ※ 1,519.66 | 874.90 | 758.35 | |
| Net income per share (yen) (Primary) | ※ 152.21 | ※ 181.53 | 124.31 | 89.71 | |
| Net income per share (yen) (Fully Diluted) | ※ 151.01 | ※ 172.33 | 114.00 | 84.59 | |
| Equity rate (%) | 26.0 | 26.5 | 22.4 | 24.7 | |
| Return on assets (%) | - | - | - | 3.15 | |
| Return on equity (%) | - | - | - | 12.42 | |
| Net cash provided by (used in) operating activities | 17,105 | 17,260 | 14,184 | 24,815 | |
| Net cash provided by (used in) investment activities | (8,996) | (15,577) | (29,469) | (33,747) | |
| Net cash provided by (used in) financing activities | 6,242 | 13,784 | 64,764 | 22,179 | |
| Cash and cash equivalents | 36,240 | 54,185 | 104,293 | 51,965 | |

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

revised on Oct. 15,2014

Net sales**(Millions of Yen)**

| FY | 3Q | | |
|---------------------------------|--------|--------|--------|
| | 2012 | 2013 | 2014 |
| Membership Operations | 21,785 | 26,414 | 25,690 |
| Hotel and Restaurant Operations | 42,214 | 48,593 | 49,508 |
| Golf Operations | 7,234 | | |
| Medical Operations | 8,744 | 12,920 | 14,442 |
| Others | 566 | 602 | 1,216 |
| Total | 80,546 | 88,530 | 90,858 |

Operating income**(Millions of Yen)**

| FY | 3Q | | |
|---------------------------------|--------|--------|--------|
| | 2012 | 2013 | 2014 |
| Membership Operations | 3,973 | 5,450 | 5,554 |
| Hotel and Restaurant Operations | 4,829 | 5,476 | 5,765 |
| Golf Operations | 831 | | |
| Medical Operations | 1,468 | 3,246 | 3,426 |
| Others | 243 | 280 | 499 |
| Total | 11,346 | 14,453 | 15,245 |

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.

Business Results

Overview of Third Quarter of Fiscal Year Ending March 31, 2015

1. Summary of Business Results

(¥ million)

| | 3QFY2013 (Results) | 3QFY2014 | | Year-on-year Change | Results vs. Targets |
|------------------|-----------------------|-----------|----------|------------------------|---------------------|
| | | (Results) | (target) | | |
| Net sales | 88,530 | 90,858 | 89,300 | +2.6% | +1.7% |
| Operating income | 14,453 | 15,245 | 14,200 | +5.5% | +7.4% |
| Ordinary income | 15,860 | 19,405 | 16,600 | +22.3% | +16.9% |
| Net income | 8,820 | 12,220 | 10,300 | +38.5% | +18.6% |

The Japanese economy during the third quarter under review continued on a gradual recovery track, reflecting a temporary, reactionary decline following the consumption tax hike and improvement in corporate performance and the employment situation, etc. Meanwhile, the pace of recovery in personal consumption was slow due to unseasonable weather as well as rising prices associated with the tax hike and yen depreciation.

Under these circumstances, regarding the current status of the Group for the third quarter under review, the effect of the reactionary decline in consumption following the last-minute demand prior to the consumption tax hike was limited within a certain range and no business commencement expenses were incurred, while these expenses had been recorded in the same quarter of the previous fiscal year, as well as the newly opened hotels contributed to revenue. On the other hand, a portion of revenue from membership sales for the unopened hotels was deferred to the time of the actual opening. As a result of these factors, net sales increased 2.6% year on year to ¥90,858 million, operating income increased 5.5% year on year to ¥15,245 million, ordinary income increased 22.3% year on year to ¥19,405 million, and net income increased 38.5% year on year to ¥12,220 million.

Starting from the first quarter under review, year-on-year comparisons have been made with figures that have been restated retrospectively in conjunction with the change in accounting policy.

An overview of segment information, including business results, is presented below. Segment income is presented based on operating income.

2. Summary of Business segments

[Membership Operations]

(¥ million)

| | 3QFY2013 (Results) | 3QFY2014 | | Year-on-year Change | Results vs. Targets |
|------------------|-----------------------|-----------|----------|------------------------|---------------------|
| | | (Results) | (target) | | |
| Net sales | 26,414 | 25,690 | 24,510 | (2.7%) | +4.8% |
| Operating income | 5,450 | 5,554 | 4,800 | +1.9% | +15.7% |

Membership Operations resulted in decreased sales and in increased profit from effect of the sale of memberships of hotels and from effect of Deferred Revenue from properties before completion of construction.

[Hotel and Restaurant Operations]

(¥ million)

| | 3QFY2013 (Results) | 3QFY2014 | | Year-on-year Change | Results vs. Targets |
|------------------|-----------------------|-----------|----------|------------------------|---------------------|
| | | (Results) | (target) | | |
| Net sales | 48,593 | 49,508 | 49,470 | +1.9% | +0.1% |
| Operating income | 5,476 | 5,765 | 5,720 | +5.3% | +0.8% |

Hotel and Restaurant Operations resulted in increased sales and income. During the third quarter of the previous fiscal year, the Sun Members resort facility Resorpia Hakone reopened in April 2013 after being remodeled, and Hotel Trusty Kanazawa Korinbo, the seventh facility in the Hotel Trusty lineup, newly opened for business in June. These hotels recorded a practice-related expenses in the previous year. On the other hand, these hotels contributed to revenue this fiscal year.

[Medical Operations] (¥ million)

| | 3QFY2013 (Results) | 3QFY2014 | | Year-on-year Change | Results vs. Targets |
|------------------|-----------------------|-----------|----------|------------------------|---------------------|
| | | (Results) | (target) | | |
| Net sales | 12,920 | 14,442 | 14,100 | +11.8% | +2.4% |
| Operating income | 3,246 | 3,426 | 3,230 | +5.5% | +6.1% |

Medical Operations resulted in increased sales and income, primarily increasing sales of Senior-life Division and due to an increase in income from annual membership fees accompanying the growth in membership.

[Others] (¥ million)

| | 3QFY2013 (Results) | 3QFY2014 | | Year-on-year Change | Results vs. Targets |
|------------------|-----------------------|-----------|----------|------------------------|---------------------|
| | | (Results) | (target) | | |
| Net sales | 602 | 1,216 | 1,220 | +101.8% | (0.3%) |
| Operating income | 280 | 499 | 450 | +78.4% | +11.0% |

Other Operations resulted in increased sales and income. This was primarily attributable to an increase in rent revenue from the rental office building by the consolidated subsidiary R.T. DEVELOPMENT CO.,LTD.

3. Cash Flows

(¥ million)

| | 3QFY2013 (Results) | 3QFY2014 (Results) |
|---------------------------|-----------------------|-----------------------|
| Operating cash flows | 17,260 | 14,184 |
| Investing cash flows | (15,577) | (29,469) |
| Financing cash flows | 13,784 | 64,764 |
| Cash and cash equivalents | 54,185 | 104,293 |

4. Outlook for the Fiscal Year Ending March 31, 2015

(¥ million)

| | 2014/03 (Results) | 2015/03 (revision target) | Year-on-year Change |
|------------------|----------------------|------------------------------|------------------------|
| Net sales | 116,824 | 116,900 | +0.1% |
| Operating income | 15,190 | 15,500 | +2.0% |
| Ordinary income | 16,830 | 18,000 | +7.0% |
| Net income | 8,733 | 11,200 | +28.2% |

revised on Oct 15,2014

The Group revised its results forecast on October 15, 2014, in light of recent business performance.

Sales and income forecasts have both been revised upward, taking into account favorable membership sales compared to the previous forecast, and recent foreign exchange conditions.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

| | Fiscal 2013 (As of March 31, 2014) | Fiscal 2014 Third Quarter (As of December 31, 2014) |
|--|--|--|
| Assets | | |
| Current assets | | |
| Cash and deposits | 46,151 | 91,369 |
| Notes and accounts receivable - trade | 5,979 | 6,162 |
| Operating loans | 23,305 | 26,083 |
| Securities | 15,698 | 36,963 |
| Merchandise | 610 | 666 |
| Real estate for sale | 5,845 | 2,595 |
| Raw materials and supplies | 889 | 1,206 |
| Real estate for sale in process | 8,985 | 16,373 |
| Deferred tax assets | 4,033 | 3,186 |
| Other | 3,039 | 5,861 |
| Allowance for doubtful accounts | (645) | (810) |
| Total current assets | 113,904 | 189,658 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 61,355 | 59,942 |
| Machinery, equipment and vehicles, net | 2,146 | 1,882 |
| Golf courses | 11,036 | 11,327 |
| Land | 39,176 | 40,615 |
| Leased assets, net | 2,538 | 2,559 |
| Construction in progress | 2,303 | 3,659 |
| Other, net | 1,409 | 1,311 |
| Total property, plant and equipment | 119,967 | 121,299 |
| Intangible assets | | |
| Goodwill | 359 | 266 |
| Software | 791 | 589 |
| Other | 1,952 | 2,267 |
| Total intangible assets | 3,104 | 3,123 |
| Investments and other assets | | |
| Investment securities | 49,889 | 56,072 |
| Shares of subsidiaries and associates | 1,592 | 1,490 |
| Long-term loans receivable | 1,357 | 1,262 |
| Net defined benefit asset | 225 | 1,114 |
| Deferred tax assets | 1,441 | 132 |
| Other | 15,773 | 16,448 |
| Allowance for doubtful accounts | (6,483) | (6,411) |
| Total investments and other assets | 63,797 | 70,109 |
| Total non-current assets | 186,869 | 194,531 |
| Total assets | 300,774 | 384,190 |

(Millions of yen)

| | Fiscal 2013 (As of March 31,2014) | Fiscal 2014 Third Quarter (As of December 31, 2014) |
|---|---|--|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 913 | 1,375 |
| Short-term loans payable | 750 | 5,000 |
| Current portion of long-term loans payable | 7,089 | 6,638 |
| Current portion of bonds | 1,675 | 600 |
| Lease obligations | 438 | 368 |
| Accounts payable - other | 12,752 | 5,948 |
| Income taxes payable | 4,594 | 2,965 |
| Accrued consumption taxes | 664 | 2,326 |
| Advances received | 3,354 | 8,934 |
| Unearned revenue | 9,346 | 13,399 |
| Provision for loss on guarantees | 150 | 183 |
| Deferred tax liabilities | - | 1 |
| Other | 6,796 | 8,262 |
| Total current liabilities | 48,523 | 56,005 |
| Non-current liabilities | | |
| Bonds payable | 2,100 | 4,375 |
| Bonds with subscription rights to shares | 15,064 | 45,350 |
| Long-term loans payable | 37,893 | 68,774 |
| Lease obligations | 2,385 | 2,385 |
| Deferred tax liabilities | 1,072 | 1,968 |
| Provision for directors' retirement benefits | 1,997 | 2,083 |
| Provision for stocks payment | 158 | 419 |
| Net defined benefit liability | 1,038 | 736 |
| Long-term guarantee deposited | 103,924 | 102,306 |
| Negative goodwill | 583 | 492 |
| Other | 4,636 | 5,867 |
| Total non-current liabilities | 170,855 | 234,759 |
| Total liabilities | 219,378 | 290,765 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 14,258 | 14,258 |
| Capital surplus | 14,653 | 14,657 |
| Retained earnings | 48,983 | 58,176 |
| Treasury shares | (4,971) | (4,652) |
| Total shareholders' equity | 72,923 | 82,439 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,306 | 4,101 |
| Foreign currency translation adjustment | - | (529) |
| Remeasurements of defined benefit plans | 159 | 154 |
| Total accumulated other comprehensive income | 1,465 | 3,726 |
| Subscription rights to shares | 133 | 92 |
| Minority interests | 6,872 | 7,167 |
| Total net assets | 81,395 | 93,425 |
| Total liabilities and net assets | 300,774 | 384,190 |

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
[Quarterly Consolidated Statements of Income]

(Millions of yen)

| | First nine months of Fiscal 2013 (April 1, 2013 to December 31, 2013) | First nine months of Fiscal 2014 (April 1, 2014 to December 31, 2014) |
|---|--|--|
| Net sales | 88,530 | 90,858 |
| Cost of sales | 16,077 | 14,061 |
| Gross profit | 72,452 | 76,797 |
| Selling, general and administrative expenses | | |
| Salaries and bonuses | 22,759 | 24,610 |
| Provision for directors' retirement benefits | 146 | 86 |
| Repair and maintenance | 1,975 | 1,974 |
| Provision of allowance for doubtful accounts | 4 | 107 |
| Provision for loss on guarantees | 30 | 33 |
| Utilities expenses | 3,914 | 4,092 |
| Depreciation | 3,809 | 3,907 |
| Other | 25,357 | 26,739 |
| Total selling, general and administrative expenses | 57,998 | 61,551 |
| Operating income | 14,453 | 15,245 |
| Non-operating income | | |
| Interest income | 542 | 1,121 |
| Dividend income | 63 | 116 |
| Interests and charge for installment payment | 1 | 1 |
| Amortization of negative goodwill | 90 | 90 |
| Reversal of allowance for doubtful accounts | 1,068 | 12 |
| Share of profit of entities accounted for using equity method | 3 | - |
| Foreign exchange gains | 0 | 3,524 |
| Other | 148 | 268 |
| Total non-operating income | 1,920 | 5,135 |
| Non-operating expenses | | |
| Interest expenses paid on loans and bonds | 203 | 380 |
| Share of loss of entities accounted for using equity method | - | 75 |
| Guarantee charge of unearned revenue | 1 | 14 |
| Commission for syndicate loan | 14 | 302 |
| Nondeductible consumption tax | 200 | 61 |
| Other | 94 | 141 |
| Total non-operating expenses | 513 | 975 |
| Ordinary income | 15,860 | 19,405 |

(Millions of yen)

| | First nine months of Fiscal 2013 (April 1, 2013 to December 31, 2013) | First nine months of Fiscal 2014 (April 1, 2014 to December 31, 2014) |
|--|--|--|
| Extraordinary income | | |
| Compensation income | 73 | 53 |
| Gain on sales of non-current assets | 0 | 1 |
| Gain on sales of investment securities | - | 497 |
| Gain on sales of shares of subsidiaries and associates | 7 | 5 |
| Gain on reversal of subscription rights to shares | 0 | 14 |
| Other | 10 | 17 |
| Total extraordinary income | 92 | 590 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 13 | 378 |
| Loss on sales of non-current assets | 1 | - |
| Loss on valuation of investments in capital | 1,000 | - |
| Loss on valuation of investment securities | - | 0 |
| Other | 0 | 0 |
| Total extraordinary losses | 1,016 | 378 |
| Income before income taxes and minority interests | 14,936 | 19,616 |
| Income taxes - current | 5,255 | 6,189 |
| Income taxes - deferred | 850 | 1,083 |
| Total income taxes | 6,106 | 7,272 |
| Income before minority interests | 8,830 | 12,343 |
| Minority interests in income | 9 | 123 |
| Net income | 8,820 | 12,220 |

[Quarterly Consolidated Statements of Comprehensive Income]

(Millions of yen)

| | Fiscal 2013 (As of December 31, 2014) | Fiscal 2014 Third Quarter (As of December 31, 2014) |
|---|---|--|
| Income before minority interests | 8,830 | 12,343 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,158 | 2,794 |
| Foreign currency translation adjustment | - | (529) |
| Remeasurements of defined benefit plans, net of tax | - | (5) |
| Total other comprehensive income | 1,158 | 2,259 |
| Comprehensive income | 9,988 | 14,603 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 9,972 | 14,480 |
| Comprehensive income attributable to minority interests | 16 | 122 |

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

| | First nine months of Fiscal 2013 (April 1, 2013 to December 31, 2013) | First nine months of Fiscal 2014 (April 1, 2014 to December 31, 2014) |
|--|--|--|
| Cash flows from operating activities | | |
| Income before income taxes and minority interests | 14,936 | 19,616 |
| Depreciation | 4,045 | 4,124 |
| Amortization of goodwill (negative goodwill) | 2 | 14 |
| Increase (decrease) in allowance for doubtful accounts | (1,075) | 92 |
| Increase (decrease) in provision for retirement benefits | 206 | - |
| Increase (decrease) in net defined benefit liability | - | 68 |
| Increase (decrease) in provision for directors' retirement benefits | 142 | 86 |
| Interest and dividend income | (606) | (1,238) |
| Interest expenses paid on loans and bonds | 203 | 380 |
| Foreign exchange losses (gains) | (1) | (3,378) |
| Decrease (increase) in notes and accounts receivable - trade | 100 | (2,953) |
| Decrease (increase) in inventories | 2,195 | (4,650) |
| Increase (decrease) in notes and accounts payable - trade | 421 | 462 |
| Increase (decrease) in accounts payable - other | (1,171) | (1,108) |
| Increase (decrease) in advances received | 134 | 5,572 |
| Increase (decrease) in long-term guarantee deposits received | (2,412) | (1,728) |
| Increase (decrease) in accrued consumption taxes | (244) | 1,803 |
| Other net | 4,878 | 4,068 |
| Subtotal | 21,757 | 21,232 |
| Interest and dividend income received | 391 | 1,088 |
| Interest expenses paid | (192) | (374) |
| Income taxes paid | (4,695) | (7,761) |
| Net cash provided by (used in) operating activities | 17,260 | 14,184 |
| Cash flows from investing activities | | |
| Payments into time deposits | (1,988) | (488) |
| Proceeds from withdrawal of time deposits | 2,978 | 488 |
| Purchase of securities | (32,493) | (40,993) |
| Proceeds from sales and redemption of securities | 43,900 | 32,609 |
| Purchase of investment securities | (12,598) | (26,525) |
| Proceeds from sales and redemption of investment securities | 1,000 | 14,136 |
| Purchase of shares of subsidiaries and associates | (316) | (0) |
| Proceeds from sales of shares of subsidiaries and associates | 16 | 7 |
| Purchase of property plant and equipment and intangible assets | (12,356) | (5,342) |
| Payments of loans receivable | (48) | (18) |
| Collection of loans receivable | 2,081 | 109 |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (2,373) | - |
| Other net | (3,377) | (3,453) |
| Net cash provided by (used in) investing activities | (15,577) | (29,469) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term loans payable | (150) | 4,250 |
| Proceeds from long-term loans payable | 6,068 | 36,210 |
| Repayments of long-term loans payable | (6,644) | (5,779) |
| Proceeds from issuance of bonds | 15,047 | 32,706 |
| Redemption of bonds | (725) | (1,300) |
| Purchase of treasury shares | (10) | (3) |
| Proceeds from disposal of treasury shares | 1,005 | 332 |
| Cash dividends paid | (2,953) | (3,613) |
| Cash dividends paid to minority shareholders | (0) | - |
| Other net | 2,146 | 1,962 |
| Net cash provided by (used in) financing activities | 13,784 | 64,764 |
| Effect of exchange rate change on cash and cash equivalents | 1 | 2,848 |
| Net increase (decrease) in cash and cash equivalents | 15,469 | 52,328 |
| Cash and cash equivalents at beginning of period | 38,716 | 51,965 |
| Cash and cash equivalents at end of period | 54,185 | 104,293 |

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.



RESORTTRUST
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