



April 1, 2013

FOR IMMEDIATE RELEASE

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Regarding the Formulation of the Resorttrust Group Medium-term Management Plan “Next 40”

The Resorttrust Group announces the creation of a new medium-term management plan for the period from the year ending March 31, 2014 to the year ending March 31, 2018, entitled “**Next 40 – For brilliantly luminous lives, pursue reform and continuing challenge**” and presents here an overview of the plan.

Since the foundation of the company, we have endeavored to maximize value, with membership resorts as our core business. In April 2013, we will mark the 40th anniversary of the company’s foundation, and will take this occasion as an opportunity to build new relations with our customers, as well as to accelerate the speed of reformation, as we continue in our unceasing pursuit of challenges with a view to moving to the next stage of growth.

1. Fundamental Group Strategy

Under “Next 40,” we will leverage the business base we have built up to date in order to create and establish businesses that exert the Group-wide capabilities to their full potential with a view to even greater growth.

- (1) Further enhancement and establishment of a permanent model for the membership resort business
- (2) Expansion of the medical and senior life businesses
- (3) Expansion of combined and peripheral businesses leveraging the collective Group-wide capabilities
- (4) Strengthening the human resources base and Group-wide capabilities in order to realize the three business strategies above

2. Five-year Financial Targets (Consolidated)

(¥billion)

	Fiscal year ending March 31, 2013 (Final year of the previous medium-term management plan, Modified plan)	Fiscal year ending March 31, 2016 (Third year of this medium-term management plan)	Fiscal year ending March 31, 2018 (Fifth year of this medium-term management plan)
Net sales	104.0	120.0	150.0
Operating income	12.0	16.0	24.0
Ordinary income	12.5	16.0	24.0
Net income	7.0	10.0	15.0

*For details, please see the document “Next 40” published in IR library.

http://www.resorttrust.co.jp/e_index/ir_library_image/managementplan130401.pdf

Resorttrust Group
Medium-term Management Plan

Next 40

April 1, 2013 to March 31, 2018



For brilliantly luminous lives, pursue reform and continuing challenge

R+G

April 1, 2013



We accelerate the speed of growth to move toward new business development and to provide suggestions for new value that mobilizes Group resources to the fullest possible extent.



Yoshiro Ito
Chairman
CEO

Katsuyasu Ito
President
COO

伊藤 善典 伊藤 啓康

Since the Resorttrust Group was established in 1973, we have pursued the maximization of value with the membership resort business as our core business. We have established our position as Number 1 in the membership resort business in Japan by winning the trust of a membership of approximately 150,000.

In April 2013, we are observing the 40th anniversary of our start in business. Taking this occasion as an opportunity, we will persevere in addressing the challenges we face so as to accelerate the pace of our reforms and move toward the new growth to come in our next stage.

Under our current medium-term management plan, we will take steps to achieve further dramatic advances in the membership resort business, expand our medical and senior lifestyle businesses, create new business through the fusion of individual businesses within the Group, and make a powerful move to expand our peripheral businesses by expanding our fields of business, our customer segments, and our business development area. At the same time, we will also make maximum use of the strengths, know-how, and other management resources we have accumulated to date. By moving to provide our customers with new value on a broader stage, we aim to double our profit in fiscal year 2017, five years from now.

We hope that you will look forward to the challenges the Resorttrust Group will undertake in the time ahead, and that we may also look forward to your continuing support.

Contents

Management principles	P1
Retrospective on the previous medium-term management plan	P2-3
Environmental awareness	P4-5
Changes in number of members, net sales, and operating income	P6
Vision	P7
Current medium-term management plan	P8-20
Five-year quantitative plan	P8
Development schedule	P9
Fundamental strategies	P10-11
Membership resort business	P12-13
Medical and senior lifestyle businesses	P14-15
Combined and peripheral businesses	P16
Commitment to corporate social responsibility (CSR)	P17
Reinforcing human resource base and group strengths	P18-19
Resource allocation policy	P20

Hospitality Charter (Common Group-Wide Principles)

Vision

<Our vision for ourselves>

We are an Excellent Hospitality Group committed to maintaining good sensibilities and providing high quality.

Mission

<Our core mission>

We contribute to the provision of graceful lifestyles that enable people to make the most of their lives.

Ambition

<Our priority>

We give importance to the excitement of meeting people on a daily basis, resulting in the enrichment of all our lives.

Value

<Our moral perspective>

We will always rise to new challenges based on our relationships of trust with customers and society at large.

Common Group-Wide Spirit

Earning trust and rising to challenges

Breaking new ground

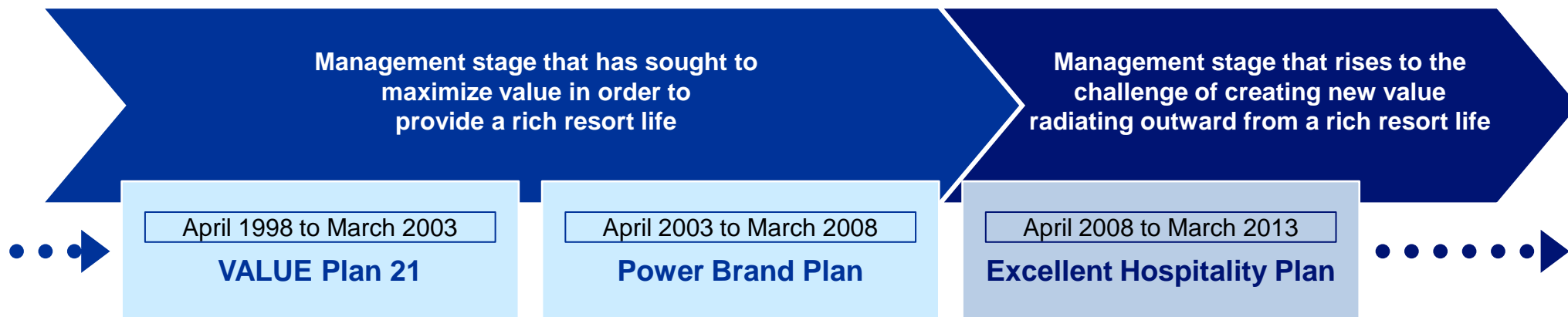
Common Group-Wide Values

Good sensibilities and high quality

Humanity / Originality / Ecology

The last medium-term plan aimed to further expand our business fields by full-scale promotion of strategy for creating new value.

- Expand and upgrade the medical services business
- Expand the senior lifestyle business, including residences exclusively for seniors, etc.



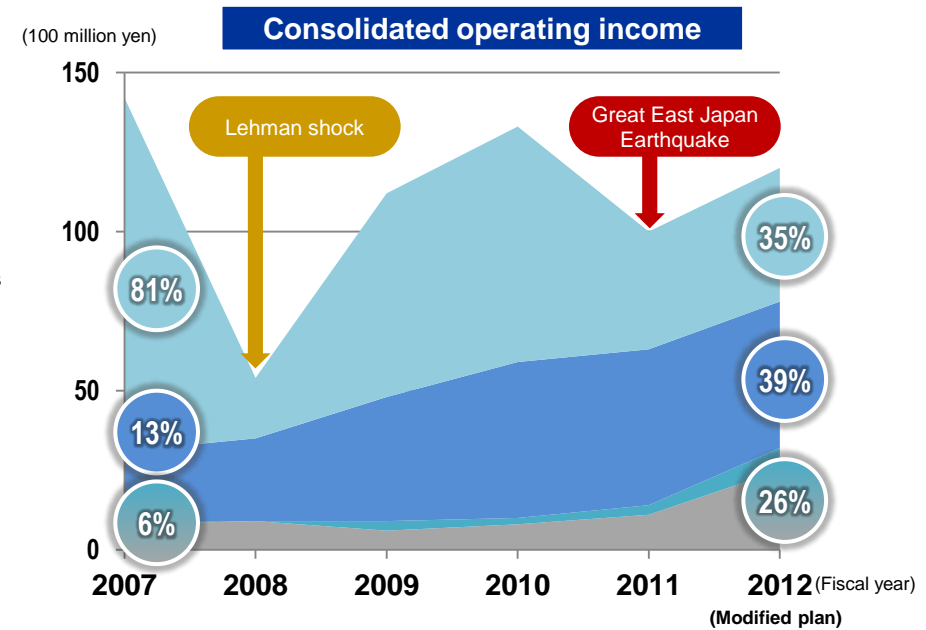
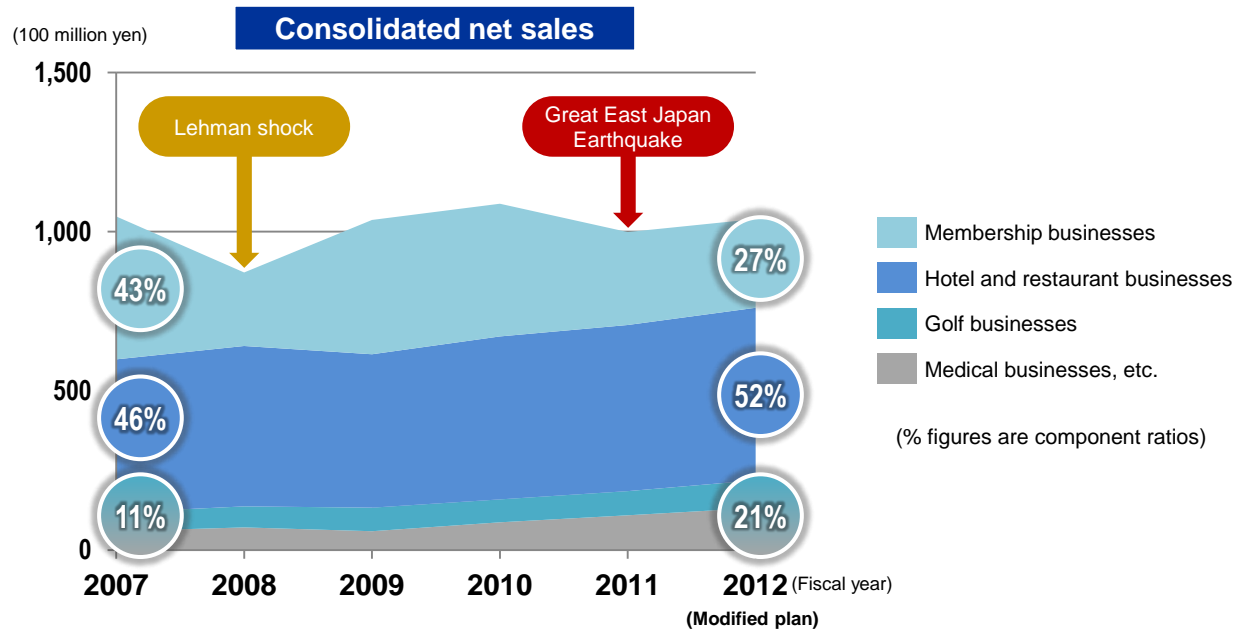
While establishing a foundation for stable growth by further strengthening our existing businesses, we will take steps toward growth of new business and expansion of the targeted range of customers, making these a wellspring for medium to long-term growth.

Fundamental strategies

1. Strengthen existing businesses
2. Grow new businesses
3. Expand targeted customer range

● Twice achieved V-shaped recovery

● Strengthen stock-type earnings structure



Specific measures and results

1. Strengthen existing businesses

- Significantly improve hotel profitability by updating operation structure
- Spread awareness of Rikyu brand and Baycourt brand

2. Grow new businesses

- Expand and upgrade our medical services business, including advanced cancer treatment support and anti-aging
- Expand senior residence businesses

3. Expand targeted customer range

- Market low-price-range memberships as entry-level products
- Market two-generation products
- Promote alliances with businesses in other countries

Environmental awareness: Assumptions underlying the formulation of the current medium-term management plan

Business Environment		
In Japan	Changes in population dynamics	<u>Decline in total population</u> <ul style="list-style-type: none"> ▪ Markets shrinking overall ▪ Decline in young population and working population ▪ Growing consumer selectivity
		<u>Increase in elderly population</u> <ul style="list-style-type: none"> ▪ Increasing numbers of active seniors ▪ Expanding senior markets ▪ Growing need for checkups, tests, sophisticated health care
	Start of promising markets in Japan	<ul style="list-style-type: none"> ▪ Growth in anti-aging and supplement-related markets ▪ Expand business fields by medical, cosmetic, and other such technology development ▪ Government measures increase numbers of foreign visitors to Japan
Other countries	Expanding markets in developing countries Progressively aging populations	<ul style="list-style-type: none"> ▪ Increase in resort development as national government policy ▪ Expansion of business utilizing Japanese model (Resort businesses, senior businesses, etc.)

Strengths of the Resorttrust Group

21 consecutive years as the top membership resort business; overwhelming position with 70% or greater share of market in Japan

- ⇒ Sales power, operational power, development power
- ⇒ Affluent sector business that provides world's highest-end products in Japan
- ⇒ Business model enabling short-term investment return
- ⇒ Business model tailored to Japanese lifestyles and leisure culture

Network of approximately 150,000 affluent members centered on older generation

- ⇒ At the same time they provide a stable foundation for existing businesses, they also function as a foundation for future growth of new businesses

Accumulate know-how in leading-edge medical businesses

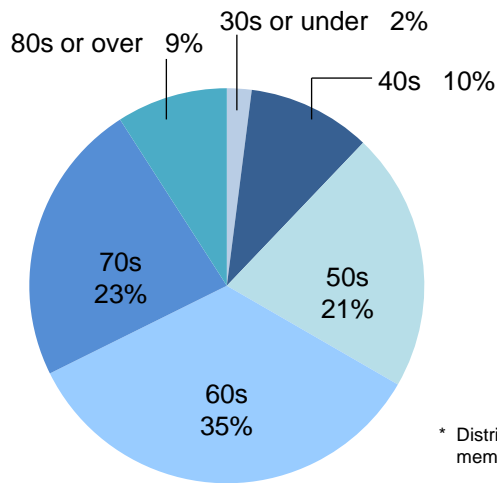
- ⇒ "Yamanakako system" was Japan's first membership PET examination system
 - Advanced image interpretation technology yields high discovery rate for disease
- ⇒ Leading-edge medical networks, etc.

Resorttrust Group's share of the industry

Ranking	Company name	Net sales (Million yen)	Percentage share
1	Resorttrust	81,383	71.7%
2	Company A	12,100	10.7%
3	Company B	6,241	5.5%
4	Company C	6,238	5.5%
5	Company D	2,887	2.5%
6-10	Others	4,635	4.1%
	Total	113,484	100.0%

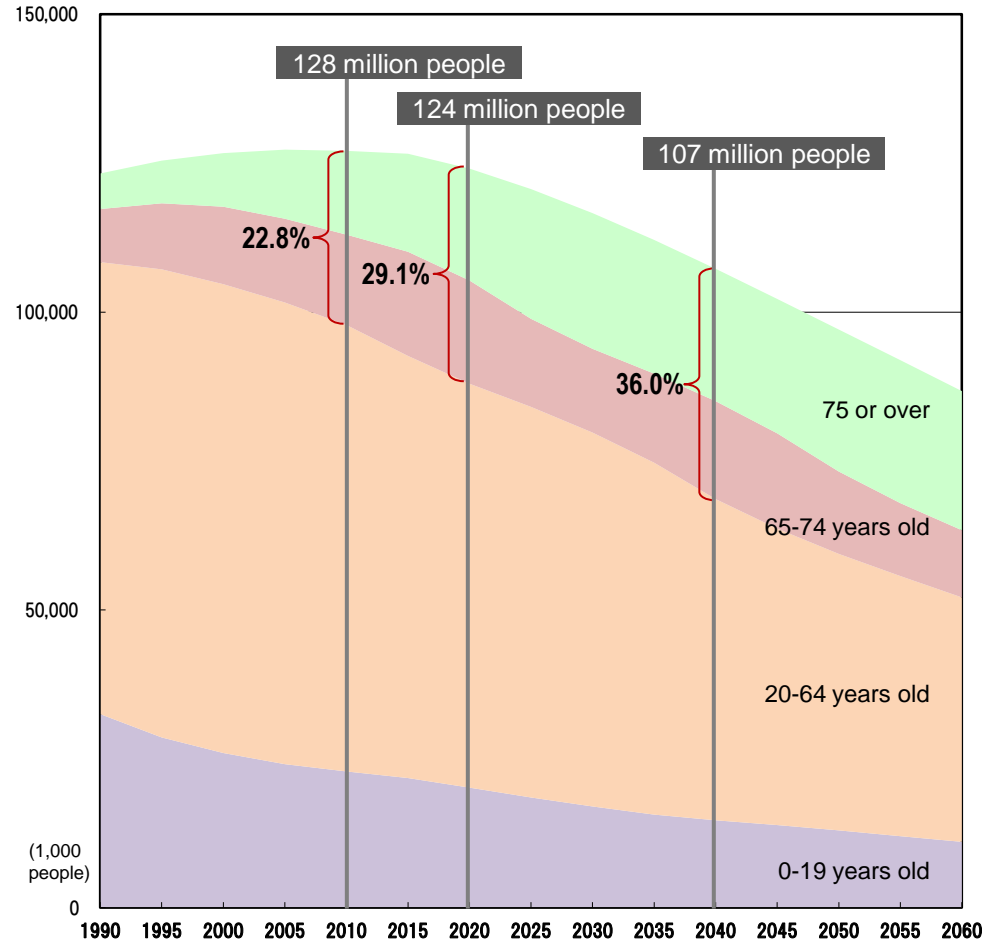
* Share calculated from sector sales (fiscal year 2011) of top10 "Membership Resort Club" companies in the 30th Survey of Service Industries (Nikkei Marketing Journal, November 14, 2012)

Age distribution of Resorttrust Group Members (as of end December 2012)



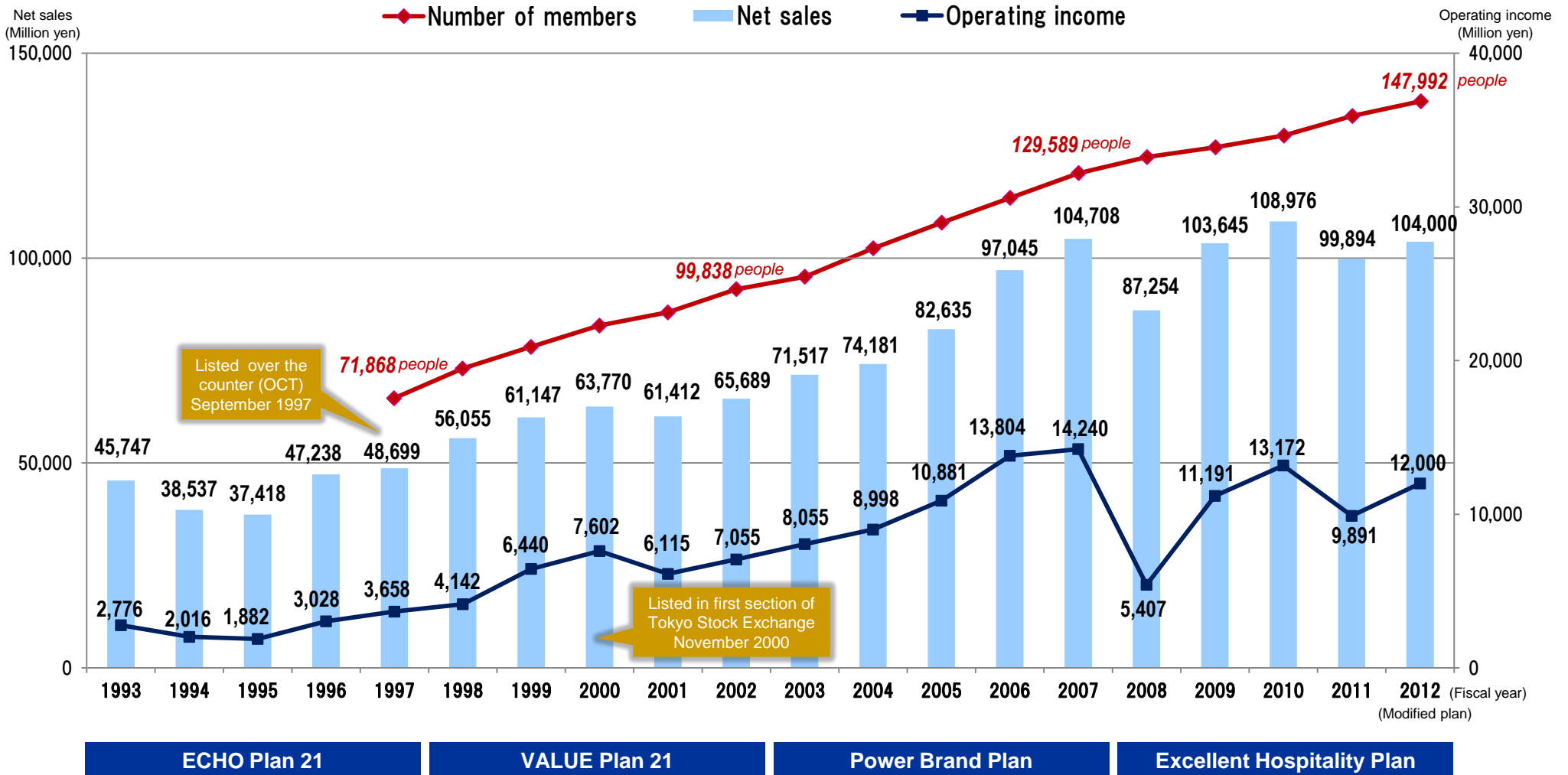
* Distribution of hotel and medical members

Japan's population dynamics



* National Institute of Population and Social Security Research

Changes in number of members, net sales, and operating income



* Number of members for fiscal year 2012 is as of the end of December 2012.

Mobilizing to their maximum extent the foundation resources and Group strengths we have built up so far, we will rise to the challenge of creating new value.



The business environment inside and outside Japan is now at a transition point of major change. The Resorttrust Group will make good use of the strengths and business foundation acquired through the resort business to create new value and build new relationships with our customers on a broader stage. In doing so, we will further accelerate our growth.

Current medium-term management plan: Five-year quantitative plan

Net sales and net income

(Unit: 100 million yen)

	Fiscal year 2012 (Modified plan)	Fiscal year 2015 (3rd year of medium-term plan)	Fiscal year 2017 (5th year of medium-term plan)
Net sales	1,040	1,200	1,500
Operating income	120	160	240
Ordinary income	125	160	240
Net income	70	100	150

(Index)

ROE	10.8%	12.9%	15.7%
ROA	2.8%	4.2%	6.1%

Net sales and operating income by segment

(Unit: 100 million yen)

Fiscal year 2012 (Modified plan)						
	Membership businesses	Hotel and restaurant businesses	Golf businesses	Medical businesses	Others	Total
Net sales	279	542	87	125	7	1,040
Component ratio	27%	52%	8%	12%	1%	100%
Operating income	42	46	7	22	3	120
Component ratio	35%	39%	5%	18%	3%	100%

Fiscal year 2017 (5th year of medium-term plan)						
	Membership businesses	Hotel and restaurant businesses	Golf businesses	Medical businesses	Others	Total
Net sales	490	700	95	200	15	1,500
Component ratio	33%	47%	6%	13%	1%	100%
Operating income	120	60	9	44	7	240
Component ratio	50%	25%	4%	18%	3%	100%

Development schedule

● Start construction and begin sales ● Business start and acquisition

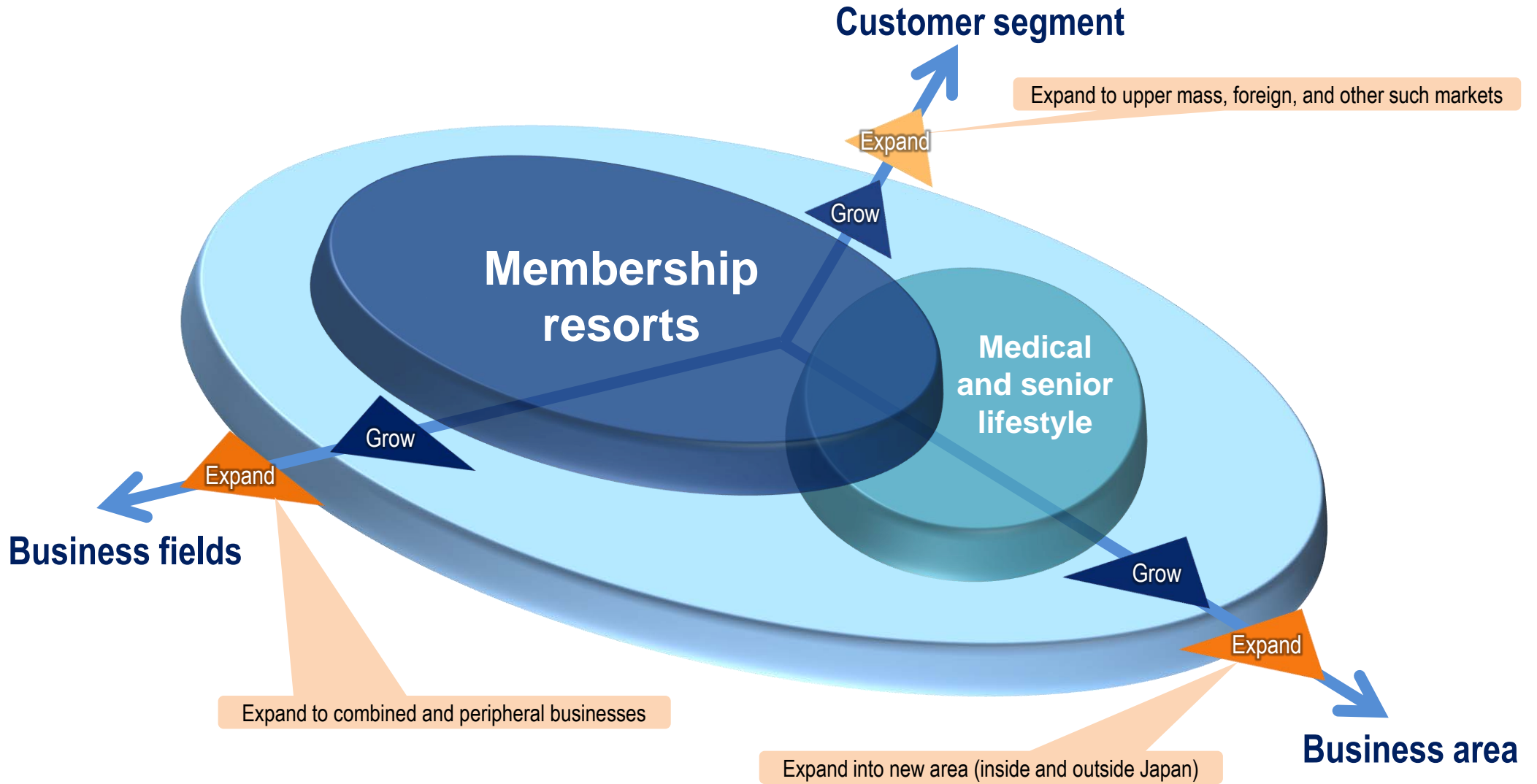
Medium-term plan	Last medium-term plan: "Excellent Hospitality Plan"					Current medium-term plan: "Next40"				
Fiscal year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Membership Resort Hotels (RH)	Yamanakako Sanctuary Villa (28 rooms)					RH (1) (provisionally named Toba Villa)				
	Hakone Rikyu (187 rooms)					RH (2)				
	Arima Rikyu (175 rooms)					RH (3)				
			Karuizawa Paseo, SV Museo (48 rooms)			RH (4)				
						RH (5)				
Hotel Trusty (HT)	HT Tokyo Bayside	HT Kobe Kyukyoryuchi	HT Osaka Abeno			HT (1) (Kanazawa Korinbo)	HT (2)		HT (3)	
Senior Residence (SR)	Morning Park Chikara-machi	Trust Garden (Four locations)			Sun Venus Takarazuka	SR (1)	SR (2)	SR (3)	SR (4)	SR (5)
Medical checkup club on membership basis (HM)						HM (1)	HM (2)			

Take steps to create and establish business that mobilizes Group resources to the fullest possible extent in order to make effective use of the business foundation built up so far and move toward further growth.

- 1** Further enhance the membership resort business and establish a model of permanence
- 2** Expansion of medical and senior lifestyle businesses
- 3** Expand combined and peripheral business so as to make use of collective Group strengths

Reinforcing **human resource base** and **group strengths**

(Conceptual image of our strategy)



Membership Resort Business

Pursue member satisfaction

Strengthen the consulting business, further enrich customer intimacy, and seek to improve member satisfaction

Boost spread of brand awareness

Achieve spread of brand awareness in the Kanto region on a par with the Kansai and Chubu regions

Establish a model of permanence

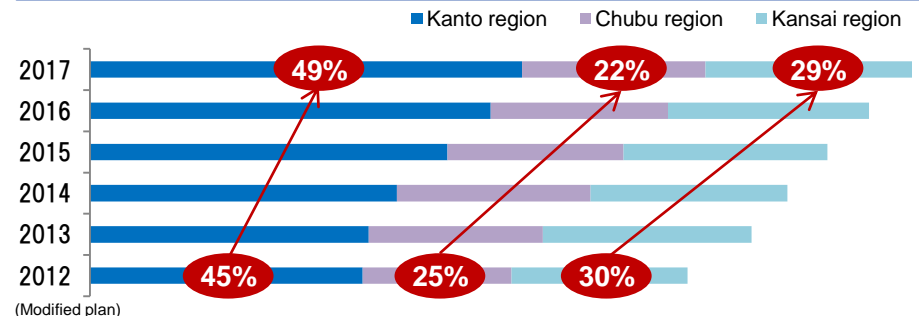
Establish a membership cycle model and a property life cycle model
(building and repair, renewal, rebuilding, etc.)

Membership Businesses

Aim for 5% or greater annual growth in contracts by thoroughly incorporating customer needs and upgrading development power and sales power

- **Reinforce our marketing capabilities in the Kanto region**
 - ⇒ Uncover potential customers by raising name recognition
 - ⇒ Develop products matched to customer targets
- **Reinforce product development strengths**
 - ⇒ Acquire high-quality properties by aggressive use of M&A and other such means
 - ⇒ Diverse product development making effective use of Group businesses
 - “XIV × senior residences” and “Baycourt × luxury residences”
 - Develop and market these kinds of combined facilities
 - ⇒ Expand Baycourt’s multiple centers
 - ⇒ Mobilize two-generation memberships and other such products meeting the needs of the time
 - ⇒ Develop the XIV series with diverse concepts (Japanese style, small scale, etc.)

Change in composition of net contracts (projected)



Hotel and Restaurant Businesses

Establish a life cycle model for facilities and aim toward permanent growth as a stock-type business

- **Further pursue member satisfaction**
 - ⇒ Member satisfaction → Membership marketing introduction → Accelerate positive spiral of increasing utilization rate
- **Improve operation by raising activity rates and utilization rates**
 - ⇒ Strengthen usage sales by enriching customer intimacy
 - ⇒ Upgrade analysis of customer trends by aggressive IT investment
- **Establish operating styles matched to diverse concepts**
 - ⇒ Small-scale XIV, “Hotel × residence,” and other such combined facilities



Toba Villa
(provisional name)

Golf Businesses

Aim to expand earnings by developing new customer segments and collaborating with Group businesses

- **Engage in golf businesses that offer good sensibilities and high quality**
 - ⇒ High unit price initiative by thoroughgoing differentiation
- **Reinforce product development capabilities**
 - ⇒ Develop and market combined facilities such as “Golf × medical spa” and “Golf × vacation house and residence”
 - ⇒ Reinforce our marketing capabilities and ability to attract customers by enhancing products and services for seniors and ladies



Kansai Golf Club

Medical and senior lifestyle businesses

Medical Businesses

Wide-ranging support for enhanced quality of life, from early detection to prevention and extension of healthy life expectancy

HIMEDIC business

Move ahead with upgraded development in urban areas, expand the number of members, and expand marketing channels

⇒ Expand and upgrade the current system of three centers into a system of five centers

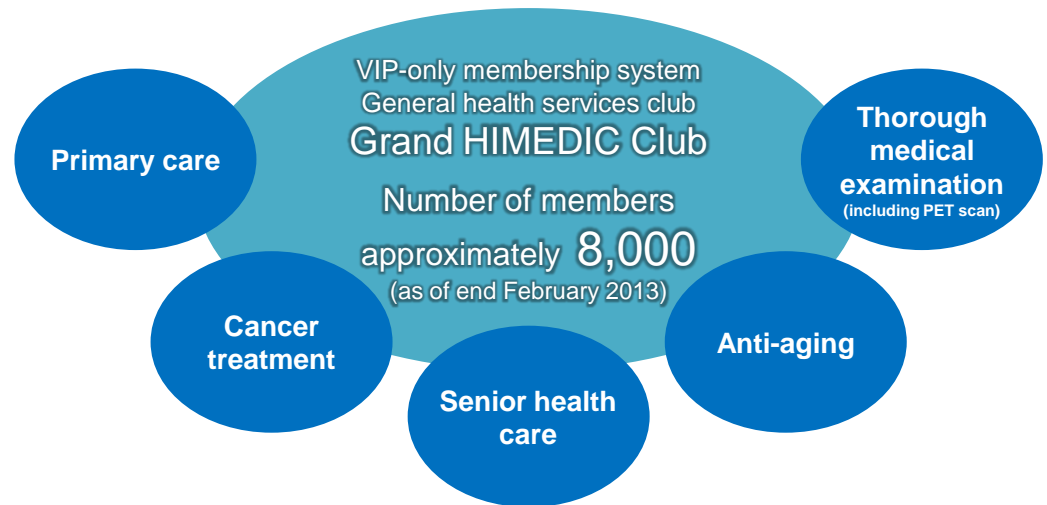
Midtown business

⇒ Upgrade product and service development capabilities by measures such as enhanced collaboration with senior lifestyle business

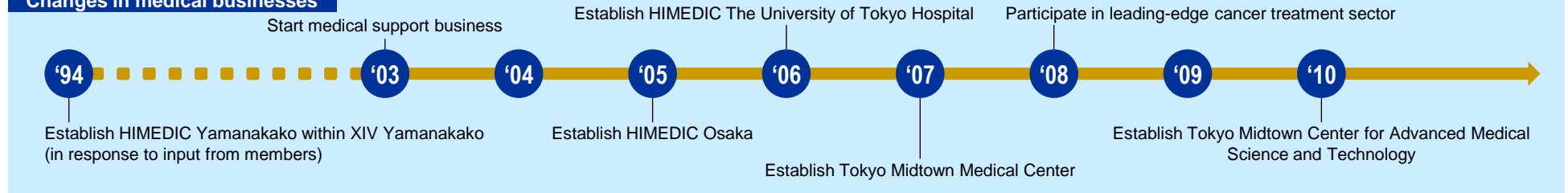
- Senior health care, visiting services, etc.

⇒ Commercialize most advanced health care (such as cancer treatment, anti-aging) → Turn to revenue

- Expand the marketing of tailor-made supplements and cosmetics



Changes in medical businesses



Senior Lifestyle Businesses

Provide service suited to health age, emphasizing quality of life

- **Efficient customer development with existing members as potential customers**

- **Membership resort business:**
Approximately 140,000 people
- **Medical business:**
Approximately 8,000 people

- **Promptly achieve a 2,500-room system**

- Approximately 500 rooms in senior residences as of March 31, 2013

- **Develop senior lifestyle business in other countries**

Develop senior lifestyle business unique to the Resorttrust Group

Management resources of membership resort business

Approximately 140,000 members centered in Tokyo-Nagoya-Osaka area

Hospitality cultivated in the hotel business

Use of resort facilities (hotels, golf courses)

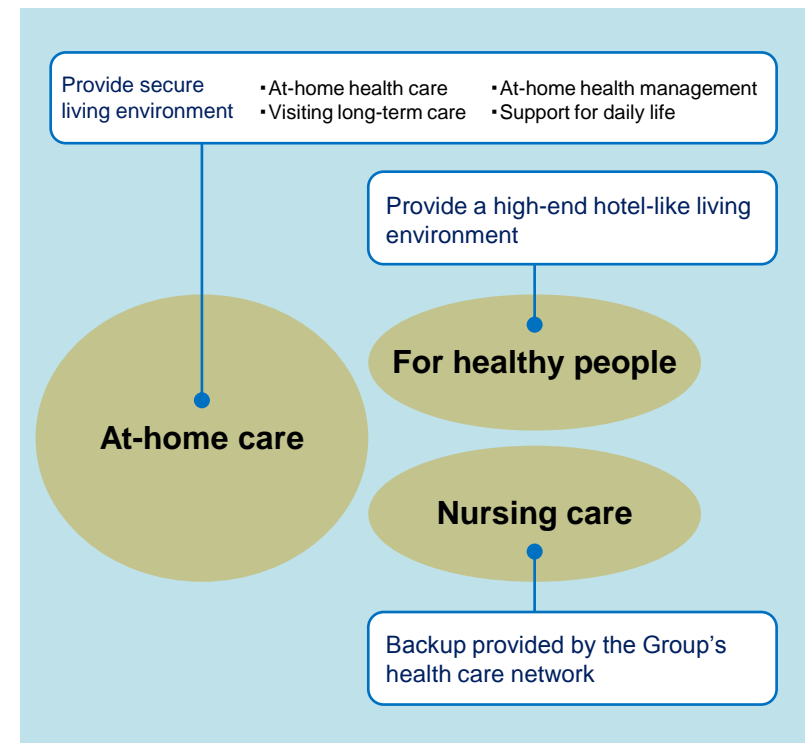
Hotel-class meals

Management resources of medical business

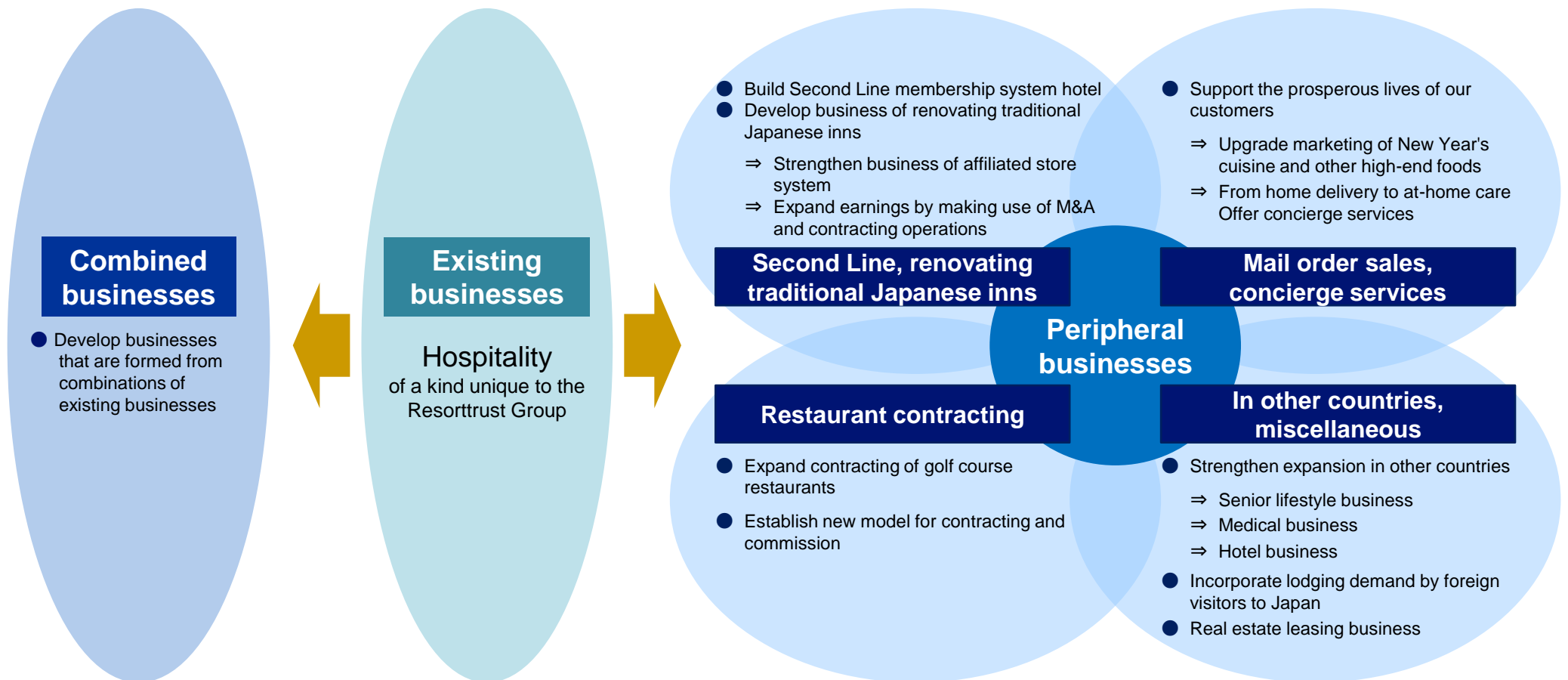
Grand HIMEDIC Club members number approximately 8,000 people

World's most advanced health care and highest-level health care network

Provide total support service through data centralization



Make effective use of the unique Resorttrust Group hospitality cultivated in the membership resort business to actively expand our fields of business, customer segments, and deployment areas



Commitment to corporate social responsibility (CSR)

Fulfillment of social responsibilities appropriate to the leading company in the industry

1. Environmental activities

With the trust of our customers and society as a foundation, we aim to become a corporate group that exists in harmony with nature

- Environmental design, tree planting, and greening campaign
- Expansion and enhancement of environmental management systems (ISO 14001)
- Promotion of energy conservation
- Electric power generation business using natural energy

2. Making a contribution to society

We are aware of our mission as a listed corporation and we are actively committed to the advancement of society

- Assistance with reconstruction after the Great East Japan Earthquake
- Promoting employment for people with disabilities
- Area cleanups and other community contribution programs
- Dietary education programs in primary schools and other such institutions

3. Internal control system

- Reinforce and enhance corporate governance
- Reinforce and enhance internal controls
- Implement, reinforce, and enhance compliance training
- Establish and strengthen frameworks for checking quality control



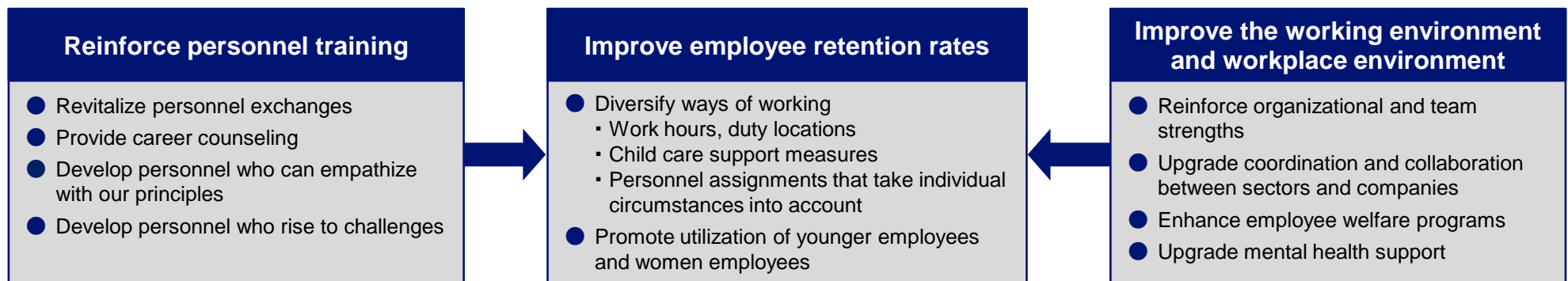
1. Reinforcing the human resource base

Take steps to reinforce our human resource base with a view to pursuing and implementing the Hospitality Charter (management principles)

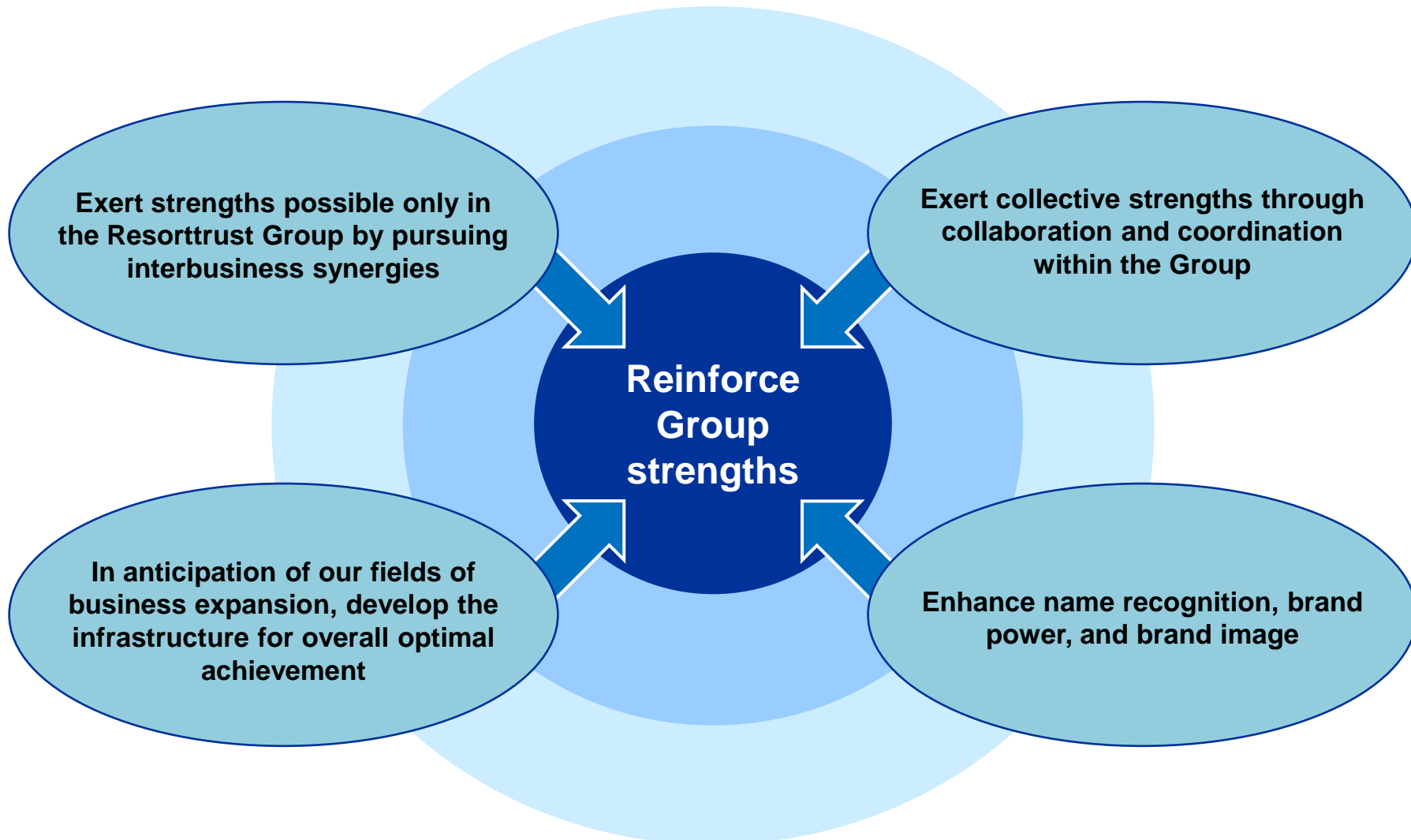
Pursue and implement the Hospitality Charter

Work toward a society in which employees can work with greater zest and feel satisfaction in what they do

We nurture the growing person for life



2. Reinforce Group strengths



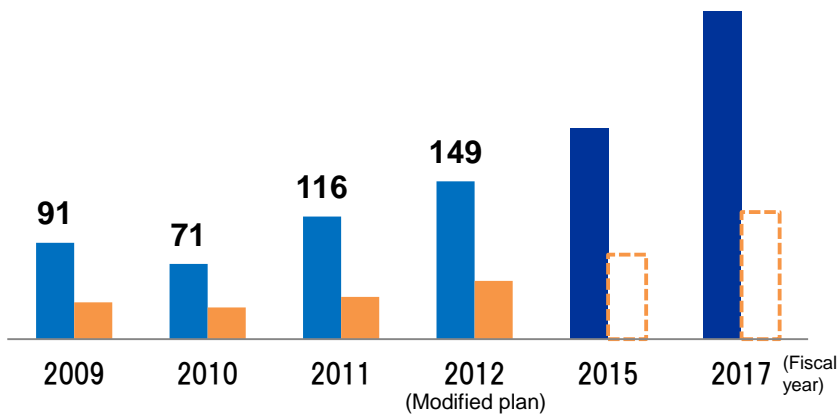
Abundant financial strength through early investment recovery business model



Active returns to shareholders

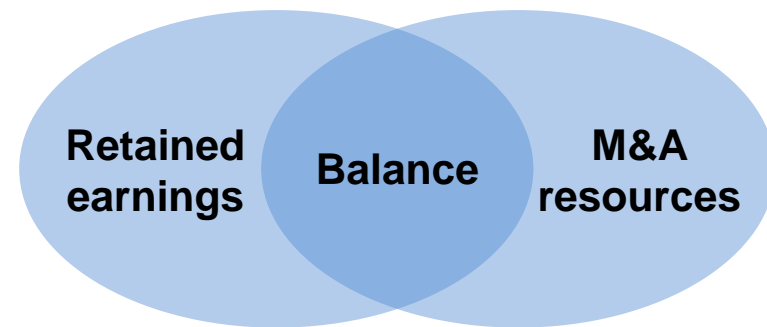
We will provide stable returns while aiming for a payout ratio of 40%

■ Earnings per share (yen) ■ Cash dividends per share (yen)



Aggressive and flexible M&A

We will engage in active and flexible M&A and other allocation of resources in growth investment in order to acquire new income opportunities while maintaining balance with the retention of earnings needed for sustained growth



This material contains statements regarding future performance.

These statements are projections made on Resorttrust's judgment based upon currently available information, and they are subject to potential risks and uncertainties.

Please understand, therefore, that changes in a variety of different factors may cause actual performance to produce results that differ significantly from the forecasts presented here.

RTG

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GROUP