

RESORTTRUST FINANCIAL DATE

Fiscal 2013 (ending March 31, 2014)

CONSOLIDATED FINANCIAL SUMMARY

For the First Quarter Ended June 30, 2011, 2012 and 2013



RESORTTRUST
GROUP

(securities code: 4681)

CONSOLIDATED FINANCIAL SUMMARY

For the First Quarter Ended June 30, 2011, 2012 and 2013

(millions of yen)

	1Q			Fiscal Year	
	June 30,2011	June 30,2012	June 30,2013	2013/3 result	2014/3 target
Net sales	22,699	25,052	27,342	105,311	108,500
Operating income	1,530	2,552	3,039	12,054	13,000
Ordinary income	1,954	2,589	4,188	12,976	14,100
Net income (interim)	1,283	1,385	1,623	7,127	7,600
Net assets	62,272	65,930	73,976	73,145	
Assets	237,127	238,685	256,765	253,861	
Net assets per share (yen)	1,187.39	1,261.07	1,381.98	1,373.70	
Net income per share (yen) (Primary)	27.54	29.59	33.60	150.76	
Net income per share (yen) (Fully Diluted)	–	29.41	33.10	149.23	
Equity rate (%)	23.4	24.8	26.0	26.1	
Return on assets (%)	–	–	–	2.91%	
Return on equity (%)	–	–	–	11.40%	
Net cash provided by (used in) operating activities	(432)	901	2,545	21,338	
Net cash provided by (used in) investment activities	(3,541)	(6,670)	(10,366)	(15,958)	
Net cash provided by (used in) financing activities	5,172	7,107	1,539	11,447	
Cash and cash equivalents	23,186	23,226	32,436	38,716	

MAJOR MANAGEMENT INDICES

For the First Quarter Ended June 30, 2011, 2012 and 2013

Net sales

(Millions of Yen)

	1Q		
	2011	2012	2013
Membership Operations	6,382	6,883	7,453
Hotel and Restaurant Operations	11,680	12,729	13,247
Golf Operations	1,925	2,593	2,441
Medical Operations	2,594	2,665	4,007
Others	116	180	192
Total	22,699	25,052	27,342

Operating income

(Millions of Yen)

	1Q		
	2011	2012	2013
Membership Operations	283	829	1,101
Hotel and Restaurant Operations	911	912	635
Golf Operations	91	386	264
Medical Operations	224	375	969
Others	20	48	68
Total	1,530	2,552	3,039

Business Results

(1) Overview of First Quarter of Fiscal Year Ending March 31, 2014

1. Summary of Business Results

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	25,052	27,342	25,700	+9.1%	+6.4%
Operating income	2,552	3,039	2,500	+19.1%	+21.6%
Ordinary income	2,589	4,188	3,400	+61.7%	+23.2%
Net income	1,385	1,623	1,200	+17.2%	+35.3%

Regarding the current status of the Group for the first quarter under review, sales of both Medical Memberships and Hotel memberships were strong. In April 2013, furthermore, the Sun Members resort facility Resorpia Hakone reopened after being remodeled, while in June Hotel Trusty Kanazawa Korinbo, the seventh facility in the Hotel Trusty lineup, newly opened for business. These developments contributed to profits while also listing of business commencement expenses and other outlays. As a result, both sales and income for the first quarter under review increased, with the figures as follows: net sales increased 9.1% year on year to ¥27,342 million, operating income surged 19.1% to ¥3,039 million, ordinary income rose 61.7% to ¥4,188 million, and net income stood at ¥1,623 million, up 17.2% from the same quarter of the previous fiscal year.

An overview of segment information, including business results, is presented below.

2. Summary of Business segments

【Membership Operations】

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	6,883	7,453	6,890	+8.3%	+8.2%
Operating income	829	1,101	960	+32.8%	+14.7%

Membership Operations resulted in increased sales and income, primarily reflecting strong sales of memberships in XIV Yamanakako sanctuary villa and Tokyo Baycourt Club.

【Hotel and Restaurant Operations】

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	12,729	13,247	12,880	+4.1%	+2.9%
Operating income	912	635	670	(30.4%)	(5.2%)

Hotel and Restaurant Operations resulted in increased sales and decreased income. In April 2013, the Sun Members resort facility Resorpia Hakone reopened after being remodeled, while in June Hotel Trusty Kanazawa Korinbo, the seventh facility in the Hotel Trusty lineup, newly opened for business. While these moves contributed to profits, the increase mainly in business commencement expenses and expenses for repair and maintenance was reflected in the quarterly results for this segment.

【Golf Operations】

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	2,593	2,441	2,390	(5.9%)	+2.1%
Operating income	386	264	200	(31.5%)	+32.3%

Golf Operations decreased in sales and income, primarily attributable to the decline in the volume of golf course membership sales at the consolidated subsidiary the KANSAI GOLF CLUB compared to the same quarter of the previous fiscal year.

【Medical Operations】

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	2,665	4,007	3,300	+50.4%	+21.5%
Operating income	375	969	610	+158.1%	+59.0%

Medical Operations resulted in increased sales and income, primarily reflecting strong sales of memberships in "GRAND HIMEDIC CLUB" and due to an increase in income from annual membership fees accompanying the growth in membership.

【Others】

(¥ million)

	1QFY2012 (Results)	1QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	180	192	240	+6.7%	(19.9%)
Operating income	48	68	60	+42.6%	+14.8%

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)

	1QFY2012 (Results)	1QFY2013 (Results)
Operating cash flows	901	2,545
Investing cash flows	(6,670)	(10,366)
Financing cash flows	7,107	1,539
Cash and cash equivalents	23,226	32,436

4. Outlook for the Fiscal Year Ending March 31, 2014

(¥ million)

	FY2012 (Results)	FY2013 (target)	Year-on-year Change
Net sales	105,311	108,500	+3.0%
Operating income	12,054	13,000	+7.8%
Ordinary income	12,976	14,100	+8.7%
Net income	7,127	7,600	+6.6%

CONSOLIDATED BALANCE SHEETS

(Based on Japanese Accounting Principles)

(Millions of yen)

	June 30 2013	March 31 2013
Assets		
Current assets		
Cash and deposits	23,092	29,443
Notes and accounts receivable—trade	4,104	4,247
Operating loans	22,880	23,423
Securities	31,897	28,399
Merchandise	507	470
Real estate for sale	10,711	12,489
Raw materials and supplies	843	795
Real estate for sale in process	7,375	7,374
Deferred tax assets	3,296	4,283
Other	3,846	4,800
Allowance for doubtful accounts	(722)	(1,715)
Total current assets	107,833	114,012
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	59,783	52,949
Machinery, equipment and vehicles, net	1,829	1,739
Golf courses	11,036	11,036
Land	29,060	27,691
Lease assets, net	2,651	2,665
Construction in progress	1,098	2,144
Other, net	1,544	1,374
Total property, plant and equipment	107,004	99,601
Intangible assets		
Goodwill	463	268
Software	826	876
Other	1,981	1,998
Total intangible assets	3,271	3,142
Investments and other assets		
Investment securities	23,262	21,954
Stocks of subsidiaries and affiliates	1,532	1,219
Long-term loans receivable	1,385	1,393
Deferred tax assets	1,668	1,708
Other	17,321	17,370
Allowance for doubtful accounts	(6,514)	(6,540)
Total investments and other assets	38,655	37,104
Total noncurrent assets	148,931	139,849
Total assets	256,765	253,861

CONSOLIDATED BALANCE SHEETS

(Based on Japanese Accounting Principles)

(Millions of yen)

	June 30 2013	March 31 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	875	893
Short-term loans payable	3,000	150
Current portion of long-term loans payable	7,942	8,127
Current portion of bonds	1,850	1,100
Lease obligations	533	526
Accounts payable-other	6,465	6,558
Income taxes payable	697	2,483
Accrued consumption taxes	623	877
Advances received	907	744
Unearned revenue	10,844	8,223
Provision for loss on guarantees	145	135
Other	6,829	5,366
Total current liabilities	40,713	35,186
Noncurrent liabilities		
Bonds payable	2,850	3,775
Long-term loans payable	25,448	27,310
Lease obligations	2,492	2,564
Deferred tax liabilities	1,077	1,060
Provision for retirement benefits	842	778
Provision for directors' retirement benefits	1,585	1,574
Provision for stocks payment	147	99
Long-term guarantee deposited	100,997	105,161
Negative goodwill	674	704
Other	5,958	2,502
Total noncurrent liabilities	142,074	145,529
Total liabilities	182,788	180,716
Net assets		
Shareholders' equity		
Capital stock	14,258	14,258
Capital surplus	13,933	13,906
Retained earnings	43,568	43,391
Treasury stock	(5,441)	(5,679)
Total shareholders' equity	66,317	65,877
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	557	395
Total accumulated other comprehensive income	557	395
Subscription rights to shares	266	287
Minority interests	6,835	6,585
Total net assets	73,976	73,145
Total liabilities and net assets	256,765	253,861

CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	June 30 2012	June 30 2013
Net sales	25,052	27,342
Cost of sales	4,551	4,973
Gross profit	20,501	22,369
Selling, general and administrative expenses		
Salaries and bonuses	6,766	7,575
Provision for directors' retirement benefits	14	14
Repair and maintenance	693	736
Provision of allowance for doubtful accounts	13	34
Provision for loss on guarantees	13	10
Utilities expenses	1,080	1,150
Depreciation	1,279	1,169
Other	8,088	8,639
Total selling, general and administrative expenses	17,949	19,330
Operating income	2,552	3,039
Non-operating income		
Interest income	113	163
Dividends income	0	15
Interests and charge for installment payment	1	0
Equity in earnings of affiliates	—	4
Amortization of negative goodwill	30	30
Reversal of allowance for doubtful accounts	20	1,049
Insurance premiums refunded cancellation	65	—
Other	64	49
Total non-operating income	296	1,313
Non-operating expenses		
Interest expenses paid on loans and bonds	61	67
Equity in losses of affiliates	114	—
Guarantee charge of unearned revenue	0	0
Undeductible consumption tax	57	68
Other	24	28
Total non-operating expenses	259	164
Ordinary income	2,589	4,188

CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	June 30 2012	June 30 2013
Extraordinary income		
Gain on sales of noncurrent assets	—	0
Gain on sales of subsidiaries and affiliates' stocks	13	2
Compensation income	—	18
Other	—	0
Total extraordinary income	13	20
Extraordinary loss		
Loss on retirement of noncurrent assets	4	5
Loss on sales of noncurrent assets	13	1
Loss on valuation of investments in capital	—	1,000
Total extraordinary losses	17	1,006
Income before income taxes and minority interests	2,586	3,202
Income taxes—current	233	641
Income taxes—deferred	700	953
Total income taxes	933	1,595
Income before minority interests	1,652	1,607
Minority interests in income (loss)	266	(16)
Net income	1,385	1,623

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Based on Japanese Accounting Principles)

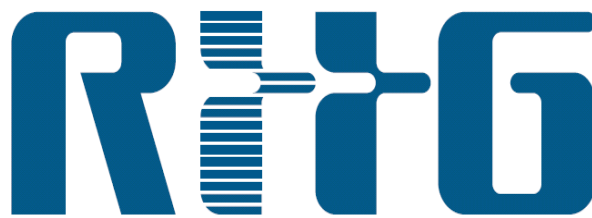
(Millions of yen)

	June 30 2012	June 30 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,586	3,202
Depreciation and amortization	1,385	1,249
Amortization of goodwill (negative goodwill)	(12)	(6)
Increase (decrease) in allowance for doubtful accounts	(11)	(1,019)
Increase (decrease) in provision for retirement benefits	95	61
Increase (decrease) in provision for directors' retirement benefits	14	11
Interest and dividends income	(113)	(178)
Interest expenses paid on loans and bonds	61	67
Decrease (increase) in notes and accounts receivable-trade	640	703
Decrease (increase) in inventories	1,777	1,628
Increase (decrease) in notes and accounts payable-trade	(102)	(52)
Increase (decrease) in accounts payable-other	(2,083)	(492)
Increase (decrease) in advances received	(103)	129
Increase (decrease) in long-term guarantee deposits received	(3,283)	(4,166)
Increase (decrease) in accrued consumption taxes	(41)	(249)
Other, net	2,272	4,030
Subtotal	3,082	4,920
Interest and dividends income received	86	73
Interest expenses paid	(56)	(55)
Income taxes paid	(2,210)	(2,392)
Net cash provided by (used in) operating activities	901	2,545
Net cash provided by (used in) investing activities		
Payments into time deposits	(210)	(210)
Proceeds from withdrawal of time deposits	1,560	260
Purchase of securities	(14,003)	(14,996)
Proceeds from sales and redemption of securities	11,000	11,500
Purchase of investment securities	(3,499)	(1,547)
Proceeds from sales and redemption of investment securities	500	500
Purchase of stocks of subsidiaries and affiliates	(3)	(315)
Proceeds from sales of stocks of subsidiaries and affiliates	22	8
Purchase of property, plant and equipment and intangible assets	(2,035)	(1,745)
Payments of loans receivable	(25)	(32)
Collection of loans receivable	50	1,984
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(2,373)
Other, net	(25)	(3,397)
Net cash provided by (used in) investing activities	(6,670)	(10,366)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,000	2,850
Proceeds from long-term loans payable	7,493	497
Repayment of long-term loans payable	(2,731)	(2,543)
Redemption of bonds	(175)	(175)
Purchase of treasury stock	(0)	(6)
Proceeds from disposal of treasury stock	45	242
Cash dividends paid	(936)	(1,447)
Cash dividends paid to minority shareholders	(0)	(0)
Other, net	2,411	2,122
Net cash provided by (used in) financing activities	7,107	1,539
Effect of exchange rate change on cash and cash equivalents	(0)	1
Net increase (decrease) in cash and cash equivalents	1,338	(6,280)
Cash and cash equivalents at beginning of period	21,888	38,716
Cash and cash equivalents at end of period	23,226	32,436

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.



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