



INVESTORS' GUIDE 2012

RESORTTRUST, INC.



Securities code: 4681

The Essence of Excellent Hospitality

Profile

We at the Resorttrust Group are committed to helping people celebrate life and enjoy more flexible lifestyles by providing them with dreams, deep emotions, beauty, and peace of mind. In the process, we seek to create new levels of value in response to people's sophisticated value perceptions.

In April 2008, we launched our five-year medium-term Group management plan. Under the plan, we are striving to expand our domain beyond our current businesses, which center on membership-based resort hotels, in order to build a foundation for renewed growth and create new levels of corporate value.

Our ultimate aim is to become an "Excellent Hospitality Group" delivering unparalleled degrees of hospitality.

Consolidated Financial Highlights

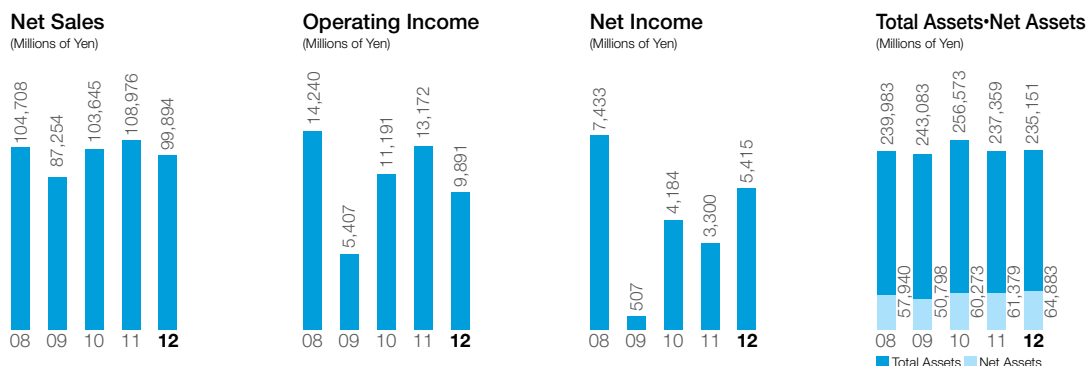
	2008/3	2009/3	2010/3	2011/3	2012/3
For the Year:	Millions of Yen				
Net sales	104,708	87,254	103,645	108,976	99,894
Operating income	14,240	5,407	11,191	13,172	9,891
Ordinary income	14,352	5,444	10,916	13,341	9,443
Net income	7,433	507	4,184	3,300	5,415
At Year-End:	Millions of Yen				
Total assets	239,983	243,083	256,573	237,359	235,151
Net assets	57,940	50,798	60,273	61,379	64,883
Per Share Data:	Yen				
Net income (basic)	148.5	11.1	90.6	71.4	115.9
Net income (diluted)	147.3	—	90.5	71.1	115.7
Net assets	1,158.2	1,083.4	1,152.7	1,171.8	1,256.4
Cash dividends	50.0	30.0	35.0	30.0	40.0
Financial Indicators:	%				
Return on assets (ROA)	3.2	0.2	1.7	1.3	2.3
Return on equity (ROE)	13.0	0.9	8.1	6.1	9.5
Payout ratio	33.7	270.2	38.6	42.0	34.5

Notes: 1. In this document, "fiscal years" refer to "years ended/ending March 31."

2. Figures in this document denoted in millions are rounded down to the nearest million yen.

3. The figures in per share data and financial indicators are rounded to one decimal place.

4. For the year ended March 31, 2009, the figure for fully diluted net income per share is not shown, because there were no latent shares that could potentially have a dilutive effect.



Contents

To Our Shareholders	1	Resorttrust Properties	14
Interview with the President	2	Corporate Social Responsibility	18
The Resorttrust Business Model	6	Corporate Governance	20
Five-Year Medium-Term Group Management Plan	8	Fact Sheet	21
Review of Operations	12	Corporate Data	33
		Stock Information	33

To Our Shareholders

The Resorttrust Group has made steady progress under its five-year medium-term Group management plan and is building a solid foundation for the future.

Performance

In the fiscal year ended March 31, 2012, the Japanese economy was affected by the enormous devastation caused mainly in the Tohoku region by the Great East Japan Earthquake of March 2011. The Resorttrust Group was also directly impacted by the disaster, with damage sustained to its Grand XIV Nasu Shirakawa, located in Fukushima Prefecture close to the center of the earthquake. But despite concerns about ongoing effects, including consumer restraint, we are able to report that thanks to healthy facility utilization rates, earnings were considerably higher than projected.

Under these conditions, in March 2012 the Group opened two facilities, XIV Karuizawa Paseo and XIV Karuizawa Sanctuary Villa Museo. For these resorts, we introduced a new membership package covering both golf and hotels. The resorts also have pet-friendly rooms for customers who travel with their dogs. Going forward, we will continue increasing facilities that cater to the diversifying needs of customers. We also achieved solid sales of memberships in Tokyo Baycourt Club Hotel & Spa Resort.

Overall, the impact of the disaster on the Group's operations was limited. The number of visitors to the XIV chain of hotels remained mostly unchanged from the previous year, and the full-year operation of XIV Arima Rikyu, which opened in March 2011, also contributed to earnings.

As a result, consolidated net sales for the year amounted to ¥99,894 million, down 8.3% from the previous year. Operating income fell 24.9%, to ¥9,891 million, and ordinary income decreased 29.2%, to ¥9,443 million. Net income climbed 64.1%, to ¥5,415 million.

Building a Foundation for New Businesses;

Accelerating Growth through Overseas Expansion

The current fiscal year, ending March 31, 2013, is the final year of the five-year medium-term Group management plan. Despite the freezing of the plan's financial targets due to the instability of the current business environment, the Group expects to achieve the plan's other targets.

Under the management plan, the Group is focusing on three fundamental strategies to achieve sustained growth: strengthening existing businesses, growing new businesses, and targeting a wider range of potential customers.

The resort industry in Japan holds enormous potential for growth. People living in Asia admire Japan with its abundant nature and rich culture. It is predicted that the growth of Asian economies will usher in a new era of tourism in Japan. In a departure from common practice, there are already signs that affluent Asians are now enjoying resort vacations.

As a resort industry leader whose ultimate aim is to become an "Excellent Hospitality Group," the Resorttrust Group sees boundless opportunities given the prospect that Japan's resort sector will become an increasingly important industry. The Group firmly believes that by developing its resort business in Asia and opening new resorts in Japan tailored to the needs of affluent Asian visitors, it will pave the way to a new era.

As we look forward to medium- and long-term growth, we would like to thank shareholders and all other investors for their continued and support and cooperation.

June 2012

伊藤 善徳

Yoshiro Ito
Chairman and CEO



伊藤 啓康

Katsuyasu Ito
President and COO





Katsuyasu Ito
President and COO

Interview with the President

Building a firm foundation for renewed growth

In today's changing business environment, we have made steady progress with our five-year medium-term Group management plan, which seeks to position Resorttrust as an Excellent Hospitality Group. We are currently building a solid foundation in preparation for the next management plan. Going forward, we will target further growth underpinned by the full-scale expansion of overseas operations.

How do you rate the Group's performance in the fiscal year ended March 31, 2012?

At the start of the year, we were worried about the impact of the Great East Japan Earthquake on performance. However, we need not have been so concerned, as we soon recovered and operations were practically unchanged year on year, making a contribution to earnings that surpassed our projections.

The Group was forced to suspend operations at Grand XIV Nasu Shirakawa, which is located in Fukushima Prefecture, close to the center of the earthquake. Owing to a vigorous push to restore the facility, however, we reopened the resort on July 15, 2011. When the disaster occurred, the Group responded to requests from earthquake victims and those evacuated due to the accident at the nuclear power plant. We provided direct support through the delivery of bottled water and toilet paper. With the help of our members, we also donated ¥100 million to affected regions. Thanks to these efforts, the Group has built an even stronger relationship with the local community.

In the Membership Operations segment, both revenue and earnings were down year on year. This was because in the year under review there was no deferred lump-sum revenue as there had been in the previous year upon the sale of the real estate portion of the large XIV Arima Rikyu resort, which opened in March 2011.

Nonetheless, sales of memberships were steady.

For example, between May 2011, when we began selling memberships for XIV Karuizawa Paseo and XIV Karuizawa Sanctuary Villa Museo, and March 2012, when we opened both resorts, membership sales were more or less on track at 30%. Sales of memberships in Tokyo Baycourt Club Hotel & Spa Resort remained strong owing to an increase in first-time purchasers, centering on relatively young businesspeople. Even though it is located next to Tokyo Bay, the resort did not sustain any liquefaction damage as a result of the earthquake. In fact, members and local residents rated the resort highly in terms of safety and disaster mitigation.

In the Hotel and Restaurant Operations segment, the effect of the March earthquake was limited, with customer numbers around the same level as the previous year. Having opened in March 2011, the full-year operation of the XIV Arima Rikyu made a useful contribution to earnings. Despite the deconsolidation of consolidated subsidiary Daiichi Ad System Co., Ltd., segment revenue and earnings both rose year on year.

In the Golf Operations segment, Grand XIV Nasu Shirakawa was closed for repairs for four months following the March 2011 earthquake. Nonetheless, the segment posted higher revenue and earnings owing to a number of factors, including healthy golf membership sales of Kansai Golf Club, which the Group acquired in September 2011.

The Medical Operations segment recorded year-on-year growth in both revenue and earnings. This was attributable to firm membership sales along with the consolidation of subsidiary Advanced Medical Care Inc., which provides a management consulting service for medical facilities.

[The current fiscal year, ending March 2013, is the final year of the five-year medium-term Group management plan. How has progress been so far?](#)

In view of the global financial crisis and the Great East Japan Earthquake, the business environment has been far from steady. And although we have frozen the plan's financial targets, we expect to achieve its qualitative and strategic objectives.

Under the management plan, the Group is focusing on three fundamental strategies: strengthening existing businesses, growing new businesses, and targeting a wider range of potential customers. As for the first

strategy of strengthening existing businesses, we are making gradual progress by tailoring services to meet customer needs. In the Hotel and Restaurant Operations segment, in particular, we have worked to improve profitability by developing a framework that takes the attributes of each facility into account instead of focusing on a uniform increase in utilization rates. This means customizing services to meet the size of facilities and the type of visitors who use each facility. As a result of this strategy, since the fiscal year ended March 31, 2010 we have achieved profitability exceeding that recorded in the year to March 2002, when the utilization rate for the XIV chain of hotels was at its highest.

The Group's Medical Operations segment, representing a new business, has achieved higher growth than anticipated. We have developed a multidisciplinary healthcare service by building on our experience in the diagnostic service business to add radiotherapy, particle radiotherapy, and cancer treatment support to our portfolio. In the senior resident business, the occupancy rate for existing facilities is rising steadily. With 438 rooms under management, we plan to broaden this business in the near future to 1,000 rooms. Although this business is extremely competitive, we will expand it by maximizing the Group's combined strengths. These include the delivery of comfort based on our top-notch food and service standards amassed in the XIV hotel business, as well as our expanding healthcare network.

The strategy of targeting a wider range of potential customers has already borne fruit. For example, the Tokyo Baycourt Club & Spa Resort's membership now includes a large number of people who are a decade or so younger than was the case earlier. This trend is fast establishing the new concept of Tokyo as a resort destination. We are also increasing members of other offerings, such as XIV Version L—for baby-boomers and other active seniors, as well as young businesspeople—and Sun Members Flex Club, which targets a broad customer base.

[In the future, will the Group develop different products in response to diversifying customer needs?](#)

I believe that product development is approaching a turning point. Until recently, we have used large



facilities as the main driver to increase memberships and revenues. But in the past few years, we have slowed down the rate of developing new facilities and have opted not to build larger facilities. This reflects the business environment that has been shaped by the global economic recession and the Great East Japan Earthquake. Meanwhile, the resort scene sought by our members has rapidly diversified. Today, there is strong demand for specific services that meet the various needs of our members. Some wish to enjoy a family vacation, while there are individuals who want time and space of their own to refresh themselves. Yet others seek to relax while enjoying some kind of hobby.

For XIV Karuizawa Paseo and XIV Karuizawa Sanctuary Villa Museo, which opened in March 2012, we offer a combined golf and hotel membership. In addition, these hotels have pet-friendly rooms for members who want to bring their dogs with them. In the future, we must build facilities that offer not only accommodation but also different experiences, such as art and culture. Therefore, we will create smaller facilities that are just the right size for a particular theme. We will also build large facilities that are capable of catering to a broader range of contemporary needs. By diversifying our product development and optimizing our portfolio of properties, the Group intends to build an even healthier business.

Please tell us about your overseas business strategies as set out in the five-year medium-term Group management plan?

East Asia, including China, has a population of more than three billion people. As the main growth driver of the world economy, it is an important and influential region. The Resorttrust Group intends to offer high-quality resorts and healthcare services sought by the region's rapidly growing affluent population. It is

important that we raise our profile and give people a taste of the first-rate services we can offer, by operating hotels and developing a medical business that includes senior residences in China.

For visitors from China and Southeast Asia, Japan is relatively close. Its natural environment, which includes hot springs, mountains, clean and abundant water and vegetation, allows them to experience the four seasons. As a safe place that is a resort destination, Japan is indeed a rare country. With more tourists than ever expected to come to Japan, the Group will be able to expand its resort hotel business and medical business for overseas visitors. By accelerating the development of both inbound and local overseas businesses, the Group's medium-term vision is for its overseas business to generate earnings equal to around half that of its domestic businesses.

What is your outlook for the immediate future?

The coming year is the final year of the five-year medium-term Group management plan, as well as the 40th anniversary of the founding of Resorttrust. Although we are not planning to open any new facilities, we have positioned the year as a critical turning point as we approach the next phase of our growth. Having made good progress with building a new business base and reviewing product development and operations, it provides the perfect opportunity to leverage the Group's original strengths. The Group has clearly demonstrated that it can achieve earnings growth. Going forward, we will make substantial progress on our growth strategy by expanding the overseas business, as well as the medical business and senior residence business, under the next management plan.

What challenges will the Group face while pursuing its growth strategy?

The hotel industry has an increasingly mobile work force. Although Resorttrust has a relatively high retention rate, the Group recognizes that from the perspectives of service know-how and customer relations, keeping long-term staff is an important priority. To help realize the full potential of each and every employee, we will strive to appoint the right person for the right job. In the next management plan, we will focus on a personnel strategy

with the aim of achieving an even higher retention rate.

What are your thoughts with respect to corporate social responsibility (CSR)?

For the resort sector, taking care of the natural environment is of paramount importance. Accordingly, we have followed a policy of planting more trees than we cut down. While making a Groupwide effort to preserve the natural environment, we also focus on creating attractive landscapes. Through these efforts and the active acquisition of ISO certification, Resorttrust is committed to making a useful contribution to the global environment.

Finally, what is your message for shareholders?

People from Asian countries admire Japan's rich natural surroundings and culture, and economic growth in those countries is expected to usher in a new age of Asian tourism in Japan. Therefore, we can expect the resort sector to become a more important industry. Thanks to our prowess in delivering unparalleled hospitality, we are well equipped to address such changes. At the same time, we believe we can forge a new era in resort tourism as a leading player in the sector.

The Resorttrust Group recognizes that making returns to shareholders is an important management priority. To date, we have paid dividends based on a payout ratio of at least 30%. Going forward, our aim is to raise this to 40%, while retaining sufficient earnings to fund future growth.

In addition to this dividend policy, the Group will continue pursuing high levels of capital efficiency.



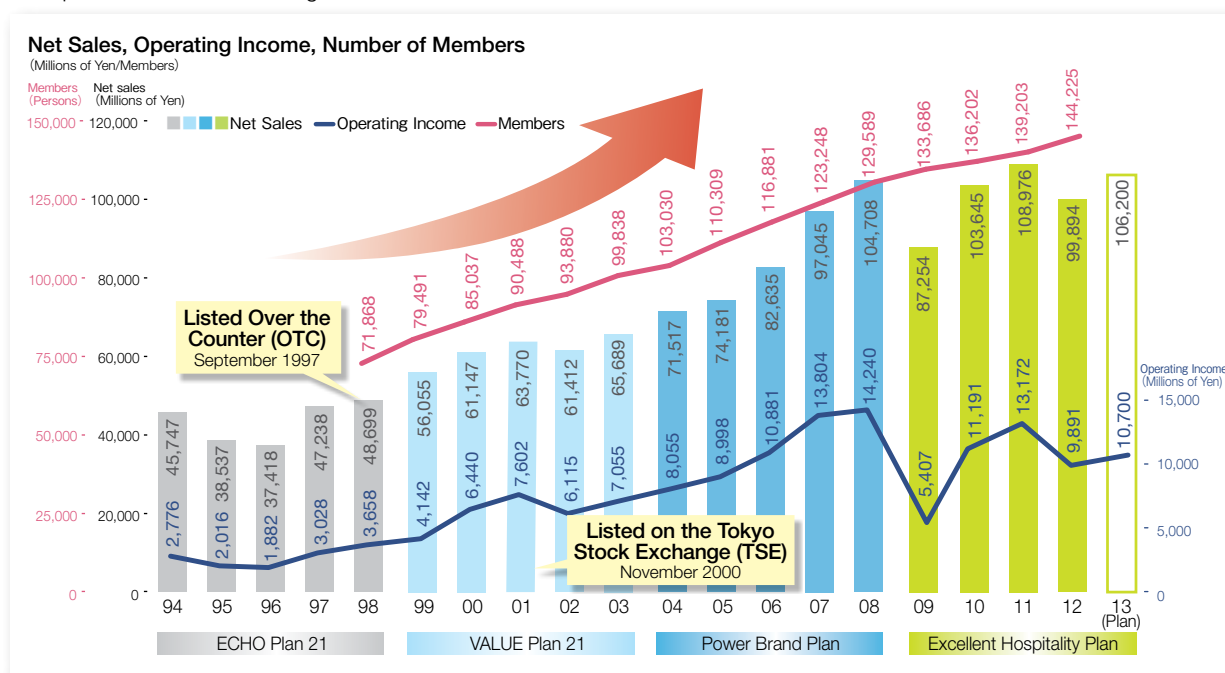
The Resorttrust Business Model

Net Sales and Number of Members

The Significance of Support from 140,000 High-Quality Members

The Resorttrust Group's greatest strength is its base of nearly than 140,000 high-quality members. This has enabled us to swiftly create a successful business model for the Japanese resort sector. It has also been the primary factor in our ability to maintain high levels of customer satisfaction and sales power. But simply having a large membership base is not sufficient. We must commercialize new products while obtaining feedback from members

regarding such issues as where we should build new hotels, what type of facilities we should build, and what services we should provide. This, in turn, will open the doors to new members and further expand our membership base, creating a mutually reinforcing cycle. In summary, the greatest distinctive strengths of the Resorttrust Group are its powerful sales capabilities and its deep ties with members. Other companies cannot easily acquire such strengths.



Differences between Our Unique Resort Business and the Western Time-Share Business

Time-Share System Absolute Guarantee

- Shared membership system
- Resorttrust was the first to introduce this system in Japan.
- 14 people share membership/ownership of one hotel room.
- The system provides each member with an absolute guarantee to use the room for a total of 26 nights a year ($365 \div 14 = 26$)
- 26 people co-own one hotel room.

Ownership of one hotel room = 14 people share membership

Exchange System Swaps also possible

- Members can swap their allocated nights with other members.
- Members can also swap their allocated nights for time-share nights at other facilities.

Floating System First-come, first-served reservation system

- Members can reserve free rooms up to one month from the date of arrival on a first-come, first-served basis.

Our Membership System Boasts Distinct Advantages

The primary feature of our successful business model, which we created at an early stage, is the membership system itself. It was commonly thought that Japan's climate, despite the abundant beauty of its four distinctive seasons, was not commercially attractive for the resort business. In addition to high construction and labor costs, utilization rates vary dramatically according to season, placing an additional burden on management. By applying

a membership system to this scenario, however, we can share the investment capital requirements across many members. This is a great system for members, who can easily obtain ownership of a resort rather than simply having a vacation house. Compared with time-share and exchange systems used by other operators, our system is more attractive to members, which is one reason for its success.

Method of Booking Hotel Membership Revenue

Hypothetical Case Where a Contract Is Signed before Completion of Construction

	Contract	Framework	Completion of construction	Accounting Method
Total payment (100%)	60% received	80% received	100% received	
Security deposit (Approx. 10%)	Member pays a deposit, comprising 10% of total payment upon signing contract.			*2 Treated as a liability when the contract is signed
Registration fee (Approx. 40%)	Member pays 40% of total payment upon signing contract.			Treated as revenue when the contract is signed
Real estate cost (Approx. 50%)	Member pays 10% of total payment upon signing contract.	Member pays 20% at framework raising.	Member pays 20% upon completion.	Treated as revenue when the facility opens

Example: Membership price of ¥10 million

	Contract	Framework	Completion of construction	Opening	Revenue recognition
Security deposit	¥1 million				*2 Treated as a liability in consolidated balance sheets
Registration fee	¥4 million				Treated as revenue (when contract is signed)
Real estate cost	¥5 million	¥2 million*1	¥2 million*1		*1 Treated as revenue (when the facility opens)
Total contract cost	¥10 million	¥2 million	¥2 million		
Amount of revenue	¥4 million	¥0 million	¥0 million	¥5 million*1	

*1 The real estate cost is deferred until the facility opens.

Cost of sales ¥3.5 million
Annual membership fee ¥130,000

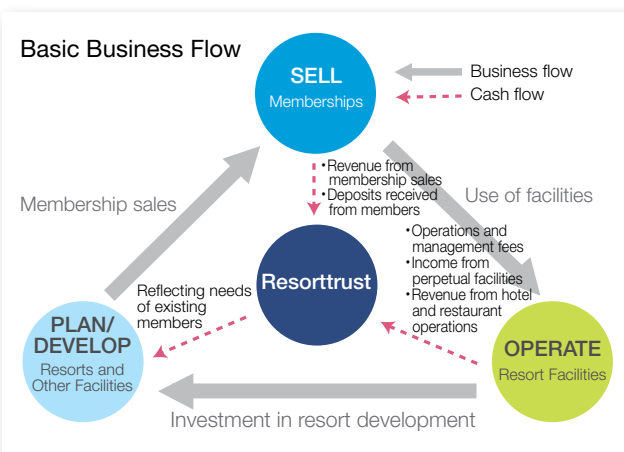
Approximately 50% of the investment cost is funded through membership sales.

The payment schedule of our mainstay hotel membership system consists of a registration fee of around 40%, a real estate cost of around 50%, and a security deposit of around 10%. The registration fee is treated entirely as revenue when the contract is signed. The real estate cost is subdivided according to the number of hotel rooms. To ensure that membership does not exceed the number of rooms in our resort hotels, we maintain an optimal number of members while properly clarifying their property rights. The real estate cost is treated as revenue upon handover of the property. If the hotel has already commenced operations, the real estate cost is treated as revenue immediately upon signing of the contract. If the hotel has not started operating, however, the amount received is regarded as a liability in the form of an “advance received,” then treated entirely as revenue when the hotel opens. In the case of large-scale resorts with around 200 rooms, the time required from commencement of sales to start of operations is generally around two to three years. Because

the entire real estate cost portion of the payment schedule is treated as revenue when the resort opens, the timing of a large-scale resort opening has a major effect on the Resorttrust Group’s business performance in any given year. Meanwhile the security deposit is required for long-term maintenance of facilities. This is amortized over a certain period after the resort’s opening. Each year, the amortized portion of the security deposit is treated as revenue in the Hotel and Restaurant Operations business segment.

Because we sell memberships before facilities open, we can generate solid cash flows. This low-risk method of generating funds is a key strength of our business model compared with regular hotels. Moreover, we can maintain high occupancy rates because members can visit regularly after the hotel opens. For normal hotels, the room fees and payment for peripherals, such as restaurants and beauty treatment services, are charged as revenue. For our facilities, members pay an annual fee to cover management of facilities. This is a source of fixed revenue that conventional hotels do not enjoy.

Because this framework evolves over a long period of time, a high level of member satisfaction is crucial to its success. For this reason, we must deliver unparalleled levels of refinement and quality, in both facilities and services, and we must work constantly to ensure that members are always happy and impressed. Our triangular business model seamlessly brings together resort planning and development, membership sales, and facility operation. This triangle provides the key to our business stability and efficiency.



Five-Year Medium-Term Group Management Plan

Strategies for an Excellent Hospitality Group

Guided by its five-year medium-term Group management plan, the Resorttrust Group will strive to evolve from its current position as an enterprise with operations centered on membership resort hotels by expanding its business domains and building a new foundation for Group growth, thereby increasing corporate value. Through these efforts, Resorttrust aims to become an Excellent Hospitality Group, that is, a Group that provides the ultimate in hospitality.

1. Strengthen Existing Businesses

Membership Operations

Affluent individuals constitute a growing market segment in Japan, and the number of active seniors within this group is increasing. Against this backdrop, we are boosting our marketing capabilities in the Kanto region, home to Japan's greatest concentration of affluent individuals, with the aim of achieving steady growth while tapping into latent demand. We will raise productivity per individual employee and direct greater efforts into staff training to help realize the potential of this market.

Hotel and Restaurant Operations

We will strive to raise profitability by reinforcing facility-specific business models. In the XIV and Sun Members businesses, we will strengthen our system for monitoring member use. We will establish an enduring business model that encourages use among members who utilize our facilities infrequently and also attracts new members. In March 2008, the Group opened Tokyo Baycourt Club Hotel & Spa Resort, with the aim of establishing a new operating model based on innovative know-how developed for this new brand. In the Hotel Trusty business, we are reinforcing our hotel development team in order to expand our hotel operation network.

Golf Operations

Today, growth of the seniors market and rising demand among women and junior players are boosting demand for different styles of golf. We will expand sales of golf club memberships while acquiring golf courses through M&A activities as a way to address the needs of this developing market. Capitalizing on Group economies of scale, we will improve efficiency and expand our commissioned golf club restaurant operations.

Medical Operations

The Grand HIMEDIC Club boasts a network of three medical service facilities: HIMEDIC Yamanakako, HIMEDIC Osaka, and HIMEDIC The University of Tokyo Hospital. Although it started out as a diagnostic service club, we are developing this network into a multidisciplinary healthcare service. We will continue to offer optimum support for healthcare, beauty, and cosmetic services as a provider of total medical solutions. Our facilities, which combine cutting-edge medical services with outstanding hospitality, include the Tokyo Midtown Medical Center, established in an alliance with Johns Hopkins Medicine International, the global arm of Johns Hopkins Hospital.

Business Synergies

We will target an increase in profitability by promoting synergies among our various businesses.

Fundamental Strategies of the Five-Year Medium-Term Group Management Plan

1 Strengthen Existing Businesses

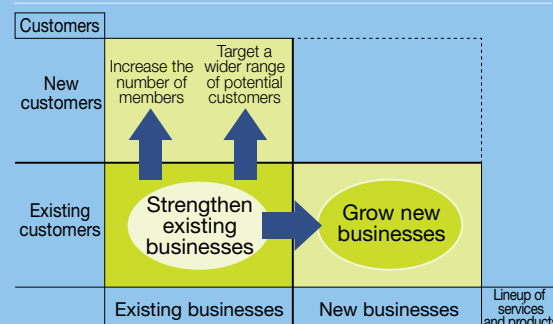
Move to a stable business structure, and increase the scale of our five existing businesses by strengthening their respective bases.

2 Grow New Businesses

Primarily targeting existing members and customer segments, develop new added value by leveraging existing expertise to achieve future growth.

3 Target a Wider Range of Potential Customers

Target a wider range of potential customers by developing new markets in Japan and attracting wealthy overseas customers.



Long-Term Vision and Fundamental Strategy



2. Grow New Businesses

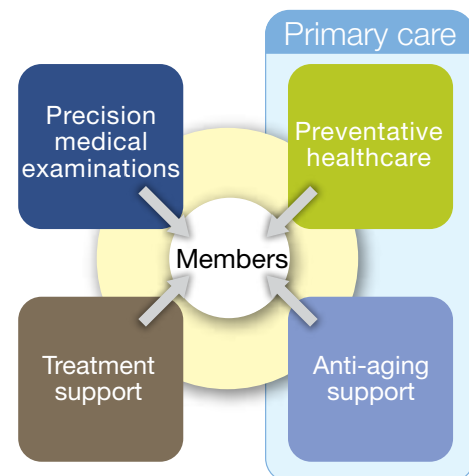
Efforts to expand services to existing members and user segments will focus on the medical and senior residence businesses. Going forward, we will take decisive steps to bolster our efforts in these areas, both of which we have positioned as new businesses.

1. Establishing a State-of-the-Art Medical Network

Back in October 1994, taking the lead in addressing growing medical needs, the Group established a medical business with a focus on medical examination services. Underpinned by the success of our precision medical examination business for existing members and their families, we have expanded the Group's medical operations. Today, they include an anti-aging business that incorporates preventative healthcare to counteract aging among people of all ages, as well as radiation therapy, particle radiation therapy, and cutting-edge cancer therapy support. The Group aims to become a top player in the provision of comprehensive medical services.

Advantages of the Group's Medical Services

- Comprehensive medical services underpinned by the Group's successful precision medical examination business



- Expand to include members' families and the general public
- Incorporate overseas demand (medical tourism)

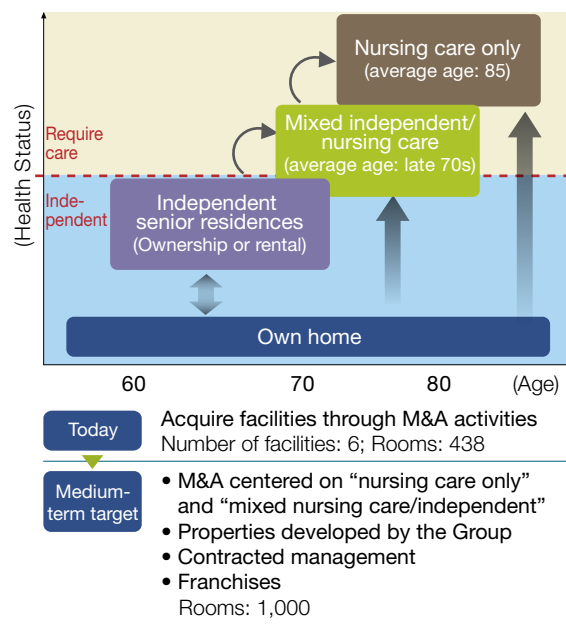


Trust Garden Yoga no Mori

2. Senior Residence Business

Resorttrust seeks to create senior residences aimed primarily at the nearly 140,000 members living in Tokyo, Nagoya, and Osaka. We offer medical services and high-quality cuisine and hospitality acquired through our experience in the XIV chain of hotels. Utilizing our amassed know-how, we currently operate two fee-paying senior residences, one in Tokyo's Bunkyo Ward and the other in Higashi Ward in Nagoya, acquired in January 2009. In June 2010, we acquired Trust Garden Co., Ltd., an operator of high-end fee-paying senior residence facilities. That company currently has four facilities in Tokyo, with a total of 438 rooms. The Resorttrust Group plans to further expand this business in the future.

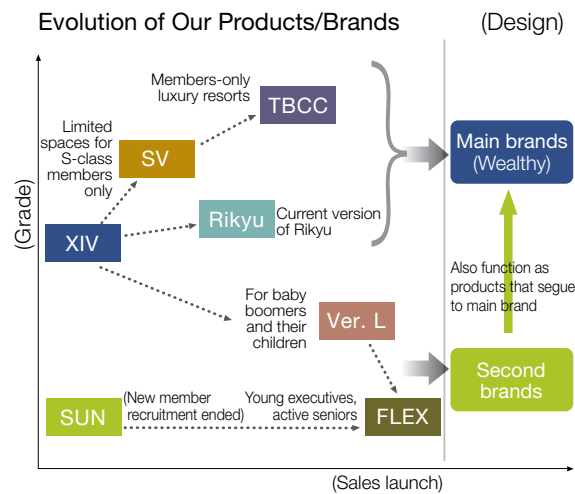
Elderly Care Homes and Users



3. Target a Wider Range of Potential Customers

1. Broadening Our Customer Base

We will strive to increase the number of members by broadening our membership base. To achieve this, we will actively sell products at comparatively reasonable rates, targeting baby boomers and other active seniors and young executives.



2. High-End Overseas Business

We will deploy the expertise we have gained in hospitality and services through our domestic business to develop an overseas medical business and hotel and restaurant business for affluent customers, focusing on East Asia. First, we will attract overseas customers to make use of our services in Japan. Going forward, our aim is to create a new culture of hospitality in East Asia through the establishment of businesses in that region.



4. Reinforce the Group's Integrated Strengths

We will strive to raise the quality of our services by enhancing employee satisfaction, retention rates, and motivation through human resource development based on respect for diversity. In line with our Group philosophy, we will seek to ensure sustainable growth by fostering diverse human resources that strengthen our organizational capabilities.

5. Medium- and Long-Term Growth Scenarios

Sales

We will endeavor to increase sales by promoting strategies to ensure balanced growth in our membership operations, hotel and restaurant operations, and other operations (notably medical, senior residence, and golf).

Operating Income

We will aim to ensure balanced growth in operating income in our various businesses over the long term.



Review of Operations

Membership Operations



Performance in the Year to March 2012

In the fiscal year ended March 31, 2012, net sales in this segment amounted to ¥29,199 million, down 30.0% from the previous fiscal year. Segment operating income declined 50.0%, to ¥3,684 million. Factors behind decreases in revenue and earnings included the absence of deferred revenue, as was the case in the previous year, when we posted deferred real estate revenue owing to the opening of XIV Arima Rikyu.

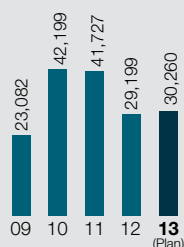
Topics

- Launch of membership sales of XIV Karuizawa Paseo & Golf and XIV Karuizawa Sanctuary Villa Museo & Golf (May 11, 2011)

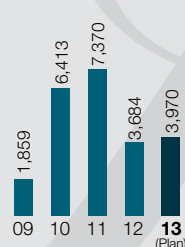
Outlook for the Year to March 2013

In this segment, we look forward to increases in both revenue and earnings. This is because in the year ahead we will not incur expenses related to the opening of new facilities, unlike the past year, when we opened XIV Karuizawa Paseo and XIV Karuizawa Sanctuary Villa Museo.

Net Sales
(Millions of Yen)



Operating Income
(Millions of Yen)



Hotel and Restaurant Operations



Performance in the Year to March 2012

Net sales in this segment rose 1.8%, to ¥52,184 million, and operating income edged up 0.8%, to ¥4,902 million. The segment posted improved revenue and earnings thanks to increased operational revenue and membership fees resulting from the full-year contribution of XIV Arima Rikyu, a high-end resort hotel that opened on March 18, 2011.

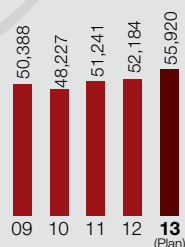
Topics

- Reopening of XIV Nasu Shirakawa, which had been closed due to the Great East Japan Earthquake (July 15, 2011)
- Start of construction of Hotel Trusty Kanazawa (tentative name) in Korinbo, Kanazawa City (January 11, 2012)
- Opening of Hotel Trusty Osaka Abeno (March 16, 2012)
- Opening of XIV Karuizawa Paseo and XIV Karuizawa Sanctuary Villa Museo (March 30, 2012)

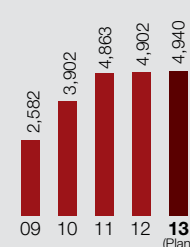
Outlook for the Year to March 2013

In the year ahead, we look forward to increases in both segment net sales and operating income thanks to the full-term operation of XIV Karuizawa Paseo, XIV Karuizawa Sanctuary Villa Museo, and Hotel Trusty Osaka Abeno, which opened in the fiscal year ended March 31, 2012.

Net Sales
(Millions of Yen)



Operating Income
(Millions of Yen)



Golf Operations



Performance in the Year to March 2012

In the Golf Operations segment, net sales increased 5.1%, to ¥7,607 million, and operating income surged 59.3%, to ¥249 million. The healthy revenue and earnings posted by this segment are attributable to golf membership income accompanying the launch of a membership drive for Kansai Golf Club, which became a consolidated subsidiary through acquisition.

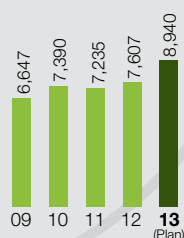
Topics

- Men's professional golf tournament, Tōtōmi Hamamatsu Open by Voluntary Tournament Hamanako LLC at Grandee Hamanako Golf Club (May 2011)
- Women's golf tournament "Resorttrust Ladies" at Grandee Karuizawa Golf Club (June 2011)
- Re-opening of the 18-hole Grandee Nasu Shirakawa Golf Club (July 16, 2011)
- Acquisition of management rights to Kansai Golf Club (September 30, 2011), and the club's reopening on April 1, 2012 upon completion of an upgrade
- Launch of membership sales for Kansai Golf Club (March 1, 2012)

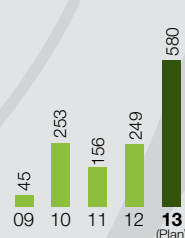
Outlook for the Year to March 2013

We look forward to growth in both segment net sales and operating income in the year ahead. Contributing factors include an expected increase in golf membership sales and the full-year operation of Grandee Nasu Shirakawa Golf Club, which had been closed temporarily due to the Great East Japan Earthquake, and Kansai Golf Club, which became a Group subsidiary in the year under review.

Net Sales
(Millions of Yen)



Operating Income
(Millions of Yen)



Medical Operations



Performance in the Year to March 2012

Net sales in this segment rose 23.4%, to ¥10,455 million, and operating income jumped 44.8%, to ¥827 million. Contributing factors included the inclusion of Advanced Medical Care Inc., a medical facility management consulting subsidiary, into the scope of consolidation, as well as healthy medical membership sales.

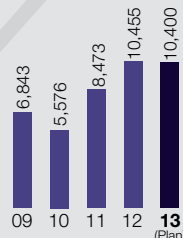
Topics

- Signing of a joint venture agreement with a Hong Kong company (April 28, 2011)

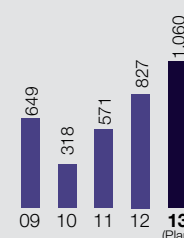
Outlook for the Year to March 2013

In the Medical Operations segment, we forecast a decline in net sales but an increase in operating income. Factors include projected sales of around the same level and the absence of research and development expenses previously incurred by Cancer Intelligence Care Systems, Inc., which has become an equity-method affiliate.

Net Sales
(Millions of Yen)



Operating Income
(Millions of Yen)



Resorttrust Properties PRIVATE RESORT **XIV** イクシブ



XIV Kyoto Yase Rikyu



XIV Hakone Rikyu

Located in rural areas 2–3 hours from major cities in beautiful natural settings, XIV hotels combine high-grade facilities and the superior services only available with a membership resort hotel. The XIV series features Resorttrust's innovative time share system, which guarantees members of each 14-member investment unit 26 days' use annually, and an exchange system, which enhances fairness and efficiency of usage. Within XIV, the Rikyu series offers an elegant, traditional Japanese ambience.

GRAND XIV



Grand XIV Karuizawa



Grand XIV Hatsushima Club

Grand XIV resorts were developed in response to customer demand for resorts offering golf courses, spa facilities and marine or winter sports, thus providing the ultimate in relaxation.

SANCTUARY VILLA

サンクチュアリ・ヴィラ



XIV Naruto Sanctuary Villa Due

Situated amid tranquil, luxurious surroundings, Sanctuary Villa resorts boast comfortable, spacious super suites, reflecting customer demand for resorts offering an exclusive luxury resort experience.

HOTEL TRUSTY



Hotel Trusty Shinsaibashi

Hotel Trusty series' hotels are spacious, modern hotels based on a concept that combines value with style and comfort.

Tokyo Baycourt Club Hotel & Spa Resort



Tokyo Baycourt Club Hotel & Spa Resort is based on the concept of "Tokyoship." This embodies our hope to provide a place where people who are active in various fields can build a diverse array of fruitful relationships and enjoy the privacy needed to fully get back in touch with their true selves. An oasis of relaxation in the busy metropolis of Tokyo, this hotel is Japan's first urban membership resort.

Resorttrust Golf Courses



The Tradition Golf Club



Kansai Golf Club

Resorttrust operates first-class golf courses designed by such luminaries as Jack Nicklaus, Pete Dye and Robert Trent Jones, Jr.

Medical Facilities • Senior Residence Business



PET-CT scanner

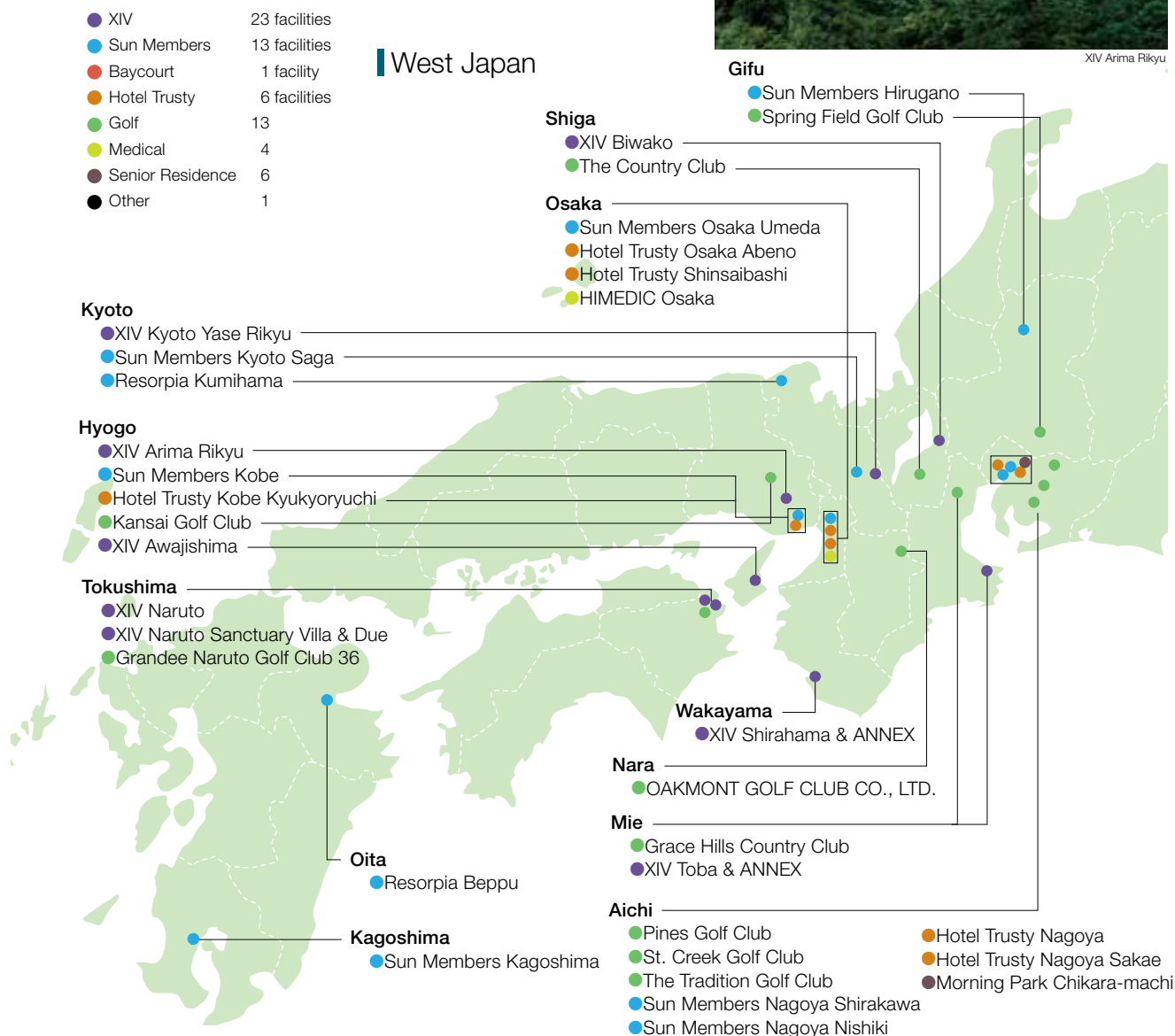
Our Grand HIMEDIC Club boasts a network of three medical facilities: HIMEDIC Yamanakako, HIMEDIC Osaka, and HIMEDIC The University of Tokyo Hospital. To meet the growing health-related needs of club members, these facilities provide leading-edge diagnostic services for the early detection and prevention of cancer and other adult-onset diseases.

We also offer a full range of medical services at the Tokyo Midtown Medical Center in Tokyo, as well as at the six high-end private homes for the elderly, including Trust Garden Yoga no Mori and Classic Garden Bunkyo Nezu.

Resorttrust Network



XIV Arima Rikyu

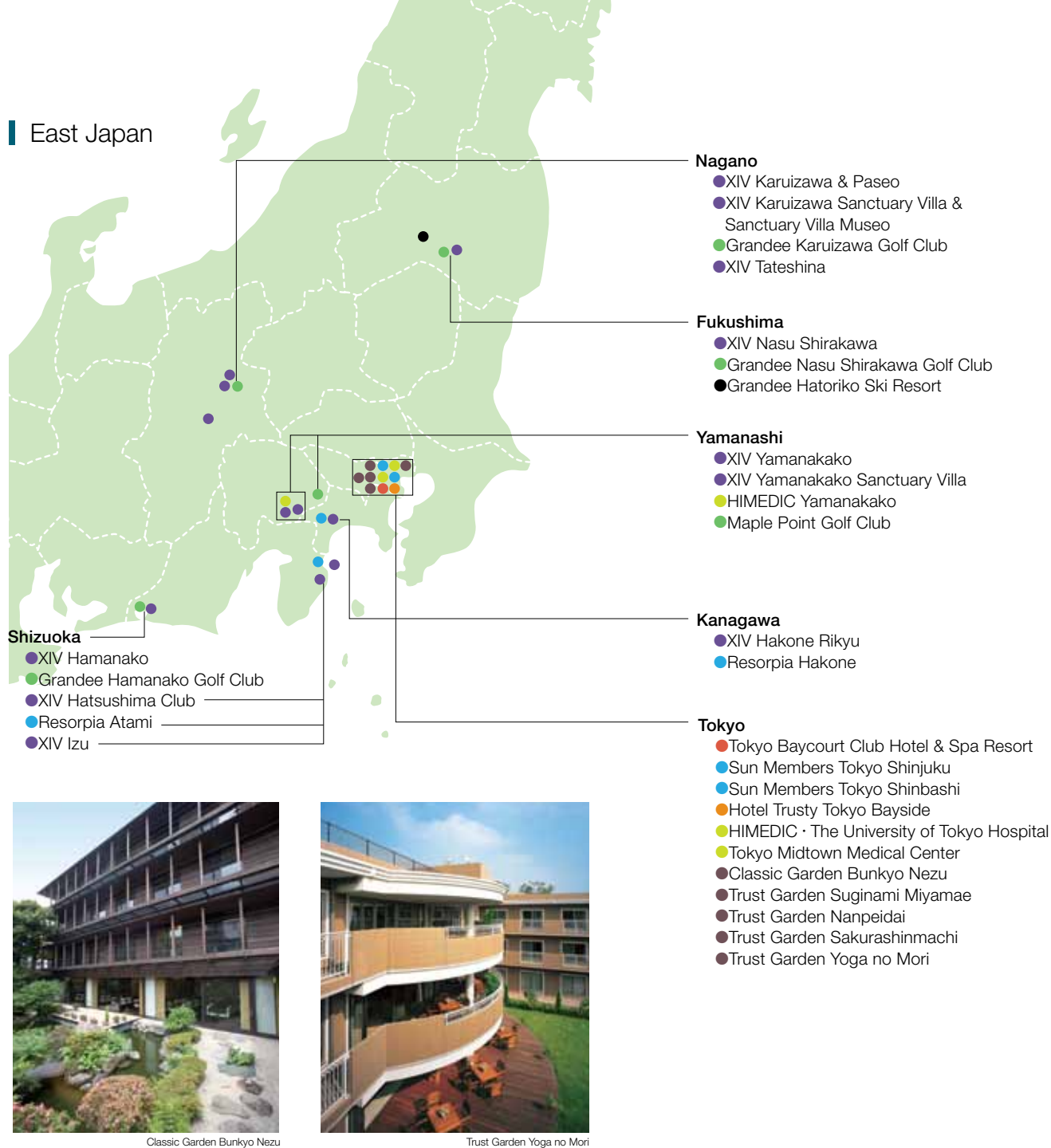


List of Hotel Facilities

Name	Year Opened	Rooms
Baycourt		292
Tokyo Baycourt Club Hotel & Spa Resort	2008	292
XIV Series		3,257
XIV Toba	1987	207
XIV Izu	1988	227
XIV Shirahama	1989	104
XIV Karuizawa	1990	200
XIV Toba ANNEX	1991	198
XIV Awajishima	1992	109
XIV Yamanakako	1993	252
XIV Shirahama ANNEX	1993	144
XIV Biwako	1997	268
XIV Tateshina	1999	230

XIV Hatsushima Club	2000	200
XIV Naruto	2001	135
XIV Naruto Sanctuary Villa	2003	22
XIV Hamanako	2004	193
XIV Karuizawa Sanctuary Villa	2004	40
XIV Nasu Shirakawa	2005	58
XIV Naruto Sanctuary Villa Due	2005	22
XIV Kyoto Yase Rikyu	2006	210
XIV Yamanakako Sanctuary Villa	2009	28
XIV Hakone Rikyu	2010	187
XIV Arima Rikyu	2011	175
XIV Karuizawa Sanctuary Villa Museo	2012	16
XIV Karuizawa Paseo	2012	32

East Japan



Classic Garden Bunkyo Nezu



Trust Garden Yoga no Mori

Name	Year Opened	Rooms
Sun Members		1,220
Sun Members Nagoya Shirakawa	1974	87
Sun Members Hirugano	1974	36
Sun Members Osaka Umeda	1978	69
Sun Members Nagoya Nishiki	1979	79
Sun Members Tokyo Shinbashi	1980	23
Sun Members Kagoshima	1980	105
Sun Members Kyoto Saga	1980	67
Sun Members Tokyo Shinjuku	1982	181
Resorpia Atami	1983	206
Resorpia Kumihama	1984	57
Resorpia Beppu	1984	57

Resorpia Hakone	1984	200
Sun Members Kobe	1985	53
Trusty		1,208
Hotel Trusty Nagoya	1997	250
Hotel Trusty Nagoya Sakae	2003	204
Hotel Trusty Shinsaibashi	2005	211
Hotel Trusty Tokyo Bayside	2008	200
Hotel Trusty Kobe Kyukyoryuchi	2009	141
Hotel Trusty Osaka Abeno	2012	202

Corporate Social Responsibility

RTTG and Our Environment

For the resort sector, an abundant and beautiful natural environment is of paramount importance. The Resorttrust Group recognizes that it is necessary to protect the natural environment and surroundings when developing resorts. Adhering to this policy, if we need to fell trees when constructing a resort, we make sure that we replace them with a larger number of trees.

In 2005, the Resorttrust Group established its own principles and policy on corporate social responsibility. Since the fiscal year ended March 31, 2006, we have implemented a cross-business project for obtaining, maintaining, and promoting ongoing activities related to ISO 14001 certification—the global standard for environmental management systems—with the aim of contributing to the protection of the global environment. At March 31, 2012, a total of 26 Resorttrust facilities had obtained ISO 14001 certification.

Environmental Design, Tree Planting, and Greening Campaign

The Resorttrust Group adopts environmental-oriented design when planning new facilities. For example, we include existing trees in the planting plan for a new development site. If the removal of some trees is unavoidable, we ensure that we create a verdant environment by planting more trees than the number removed.

In addition, at the “Resorttrust Ladies” championship, an annual women’s professional golf tournament held in June, we hold a “Green Campaign” under the slogan “Living in Harmony with the Beauty of Nature.” We donate the proceeds from this campaign, entrance fees, and other events held at the tournament to activities that foster the greening of local communities.



Waste from Hotel and Local Community Recycled as Compost

At Grand XIV Hatsushima Club, located on the island of Hatsushima off the coast of Atami, we have built a plant for composting community kitchen waste. The resulting compost is used entirely on the island, thus creating a sound system that reduces both waste emissions and expenditures for fertilizer.

Shinshu Environment Award

Resorttrust was awarded the Shinshu Environment Award sponsored by the Nagano Prefectural Government for environmental activities associated with XIV Karuizawa. The annual award is presented to foundations or individuals that give many years of service in the areas of environmental protection, preservation, and beautification, as well as activities that help educate the public on how to protect the natural environment.



XIV Hakone Rikyu

XIV Hakone Rikyu, which opened in March 2010, was developed on the former site of the Naraya Ryokan, which had been in business for approximately 300 years. Normally, the high costs of such development projects make the transplantation of a large number of trees prohibitive. However, realizing the importance of preserving the landscape and trees, we formulated a planting plan for this historic site. Five years before the resort’s scheduled opening, we transplanted a large number of selected trees to an appropriate temporary site. Those trees were gradually relocated as construction work progressed.

Other environment-related activities include the use of thermal energy from hot springs and late-night electricity, as well as the adoption of LED lighting as a means of reducing CO₂ emissions.



Cultivating Vegetables at XIV Vegetable Gardens

The Group believes strongly in the principles of local production for local consumption and controlling food mileage. According to these principles, foods for the table need to be sourced from production areas a short distance away, thus reducing transportation and lowering the impact on the global environment. Accordingly, we have established XIV Vegetable Gardens in the grounds of hotels and on nearby land. Here, employees grow vegetables, and the harvested produce is provided to the Group's hotel restaurants.



Karuizawa XIV Vegetable Gardens



RTTG and Our Community

The business activities of the Resorttrust Group are underpinned by the relationships of trust we have established with our customers and society at large. As a responsible corporate citizen that earns the ongoing trust of others, we are committed to actively developing welfare services in the communities in which we operate.

Community Cleanups

Seeking to help create communities that offer beauty and health to residents as well as visitors, we conduct regular cleanups in which the Group's employees tidy up areas surrounding Resorttrust facilities. Going forward, we will continue these activities while remaining acutely aware of our social responsibility to local communities.



Elementary School Nutrition Education

Nutrition education is viewed as one of the four key aspects of education for children in Japan, along with intellectual, moral, and physical education. Capitalizing on its unique position as a company with more than 1,000 employees involved in the preparation of food and beverages, Resorttrust dispatches chefs to elementary schools in various places to assist in nutrition education programs. These include tasting experience classes, where students learn about the importance of food while enjoying French cuisine.

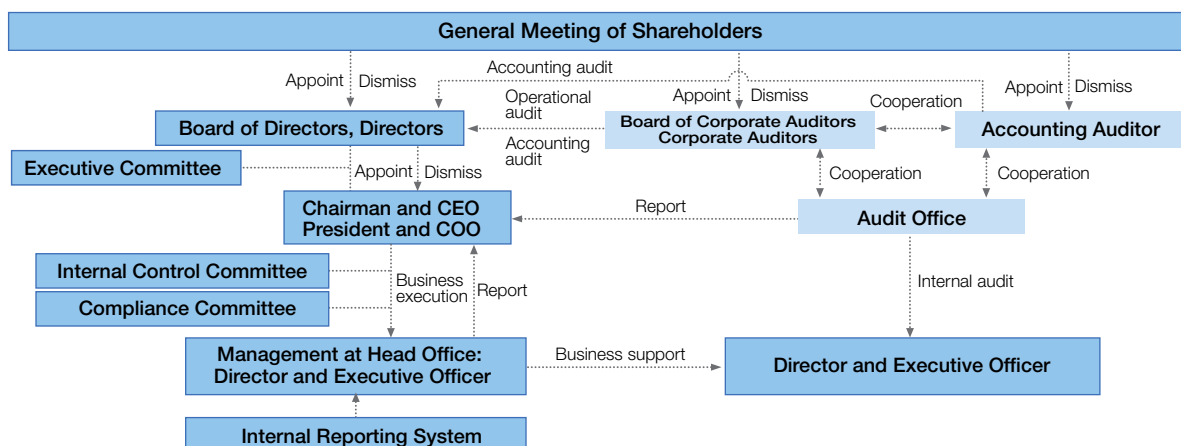


Support for Areas Affected by the Great East Japan Earthquake

As a group engaged in the hospitality industry through resort hotels and the provision of medical-related services, Resorttrust is committed to helping disaster victims resume peaceful and restful lives as soon as possible. To this end, we provide aid in the form of monetary donations and donations of relief supplies. Following the Great East Japan Earthquake, we raised ¥100 million from 1% of the proceeds from hotels operated by the Group to donate to affected areas. From January through March 2012, we ran a similar campaign to raise money from the Group's hotel operations. At the end of the campaign we donated more than ¥51 million to the Aichi Volunteer Center, which supports children orphaned by the March 2011 disaster. Resorttrust is also asking members and visitors to the Group's facilities to join the Aichi Volunteer Center's "One Coin Supporters" project. Seeking a monthly donation of a single ¥500 coin from 20,000 sponsors, the project is collecting funds needed to look after the children orphaned in the disaster through 2030, when the youngest is expected to graduate from high school. In these ways, we are committed to providing ongoing support to areas affected by the disaster.



Corporate Governance



Basic Policy

To ensure the ongoing trust of stakeholders, including its shareholders, customers, suppliers, local communities, and employees, Resorttrust has positioned enhancement of corporate governance as its most important management task. To this end, the Board of Directors passes resolutions on a basic policy for the Group's internal control system. Guided by the policy, the Group pursues rigorous enforcement of stringent corporate ethics and compliance, and is working to ensure operational transparency. These efforts include further rejuvenating the Annual General Meeting of Shareholders, accelerating decision-making by the Board of Directors, reinforcing the auditing functions, and strengthening the capabilities of auditors.

Corporate Governance Framework

To strengthen the capabilities of the Board of Directors, Resorttrust has adopted a corporate auditor system, which includes corporate auditors (internal and external) and an independent accounting auditor. This reflects our belief that reinforcing cooperation between corporate auditors and the independent accounting auditor is in the best interests of the Company from a practical perspective. As of June 30, 2012, Resorttrust had four corporate auditors, three of whom were external.

Mr. Yoshitaka Taniguchi, an external corporate auditor, does not have any business connections with the Company, its affiliates, or its major business partners. In addition, Mr. Taniguchi is not a consultant or similar specialist receiving remuneration from the Company, nor is he a major shareholder. Accordingly, he is deemed not to have potential conflicts of interest with regular shareholders, and has been appointed as an independent executive.

With respect to the decision-making process for important matters, departments charged with making proposals submit their discussion items to the Executive Committee, which meets monthly. At those meetings, proposals are deliberated from various perspectives. Important matters are then decided at subsequent meetings of the Board of Directors, also held monthly. The Company has also appointed eight executive officers charged with business execution responsibilities. Accordingly, it has an efficient, effective business execution framework.

Internal Control System

Resorttrust is establishing and appropriately applying a set of internal regulations according to its "Basic Internal Control Policy." In response to the Financial Instruments and Exchange Law, the Company has prepared a "Basic Policy for Evaluating the Establishment and Operation of Internal Controls Related to Financial Reporting" and established "Internal Control Rules Related to Financial Reporting." Accordingly, we have appointed an internal control system manager within the Audit Office and operate a system that ensures reliability of internal controls on financial reporting. In addition, the Internal Control Committee has been established separately to monitor the status of internal control system establishment and operation.

Compliance System

Resorttrust is working to educate all employees to raise their awareness of the importance of legal and ethical compliance, including by issuing a compliance declaration. We have also established an in-house e-mail system and a hotline system to receive reports from within and outside the Company. These efforts underscore our commitment to rigorous compliance throughout the Group and externally. In addition, we established the Compliance Committee, consisting of people outside the Company, to spearhead compliance-related education and verify the Company's progress in spreading compliance awareness.

Internal Audit System

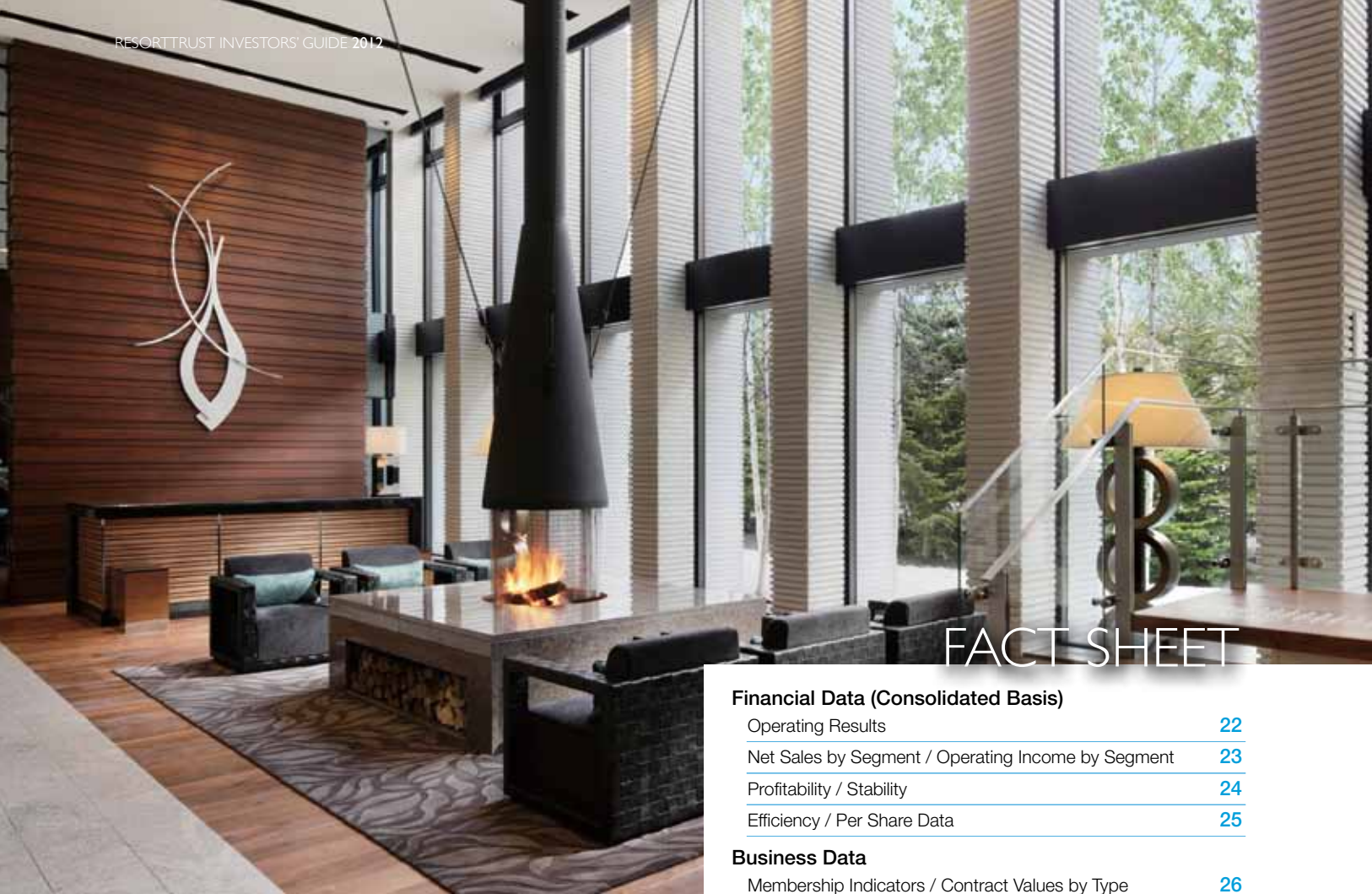
The Audit Office, which handles internal audits and is responsible for the Company's internal control system, is under the direct supervision of the president and COO. With a staff of 10 (at June 30, 2012), it conducts systematic audits of each division and department and evaluates the system of internal controls with respect to financial reporting. The office presents reports on the findings of audits to the president. It works hard to enhance the effectiveness of internal controls by disclosing audit and evaluation results to the relevant departments and seeking the required improvements.

In principle, all corporate auditors attend monthly Board of Directors meetings, and full-time corporate auditors (two persons) attend Executive Committee and other important meetings. In these ways, we have a fair system of management oversight.

The Company has adopted a corporate auditor system. The Board of Corporate Auditors, which is made up of corporate auditors, appoints specialist auditing staff to assist in the audit process, and thus ensure effective auditing activities. The Board makes decisions on important matters related to its basic policy on audits by corporate auditors and other audit procedures. It also discusses the status of audits conducted during the period and at the fiscal year-end, as well as the results of audits conducted by the independent accounting auditor. It requests the attendance of the independent accounting auditor at four of its seven scheduled meetings each year to receive reports on the status of audits conducted during the period and the results of audits conducted. It also receives reports on the evaluation results of the operational status of internal controls pertaining to financial reporting, thus reinforcing cooperation across the auditing functions.

External Audits

In accordance with the Japanese Corporate Law and the Financial Instruments and Exchange Law, Resorttrust has engaged KPMG AZSA & Co. as its accounting auditor and is audited not only at the fiscal year-end, but also as deemed appropriate throughout the fiscal year. Neither the accounting auditor nor the specified employees of the accounting auditor assigned to conduct these audits have any conflict of interest with Resorttrust.



FACT SHEET

Financial Data (Consolidated Basis)

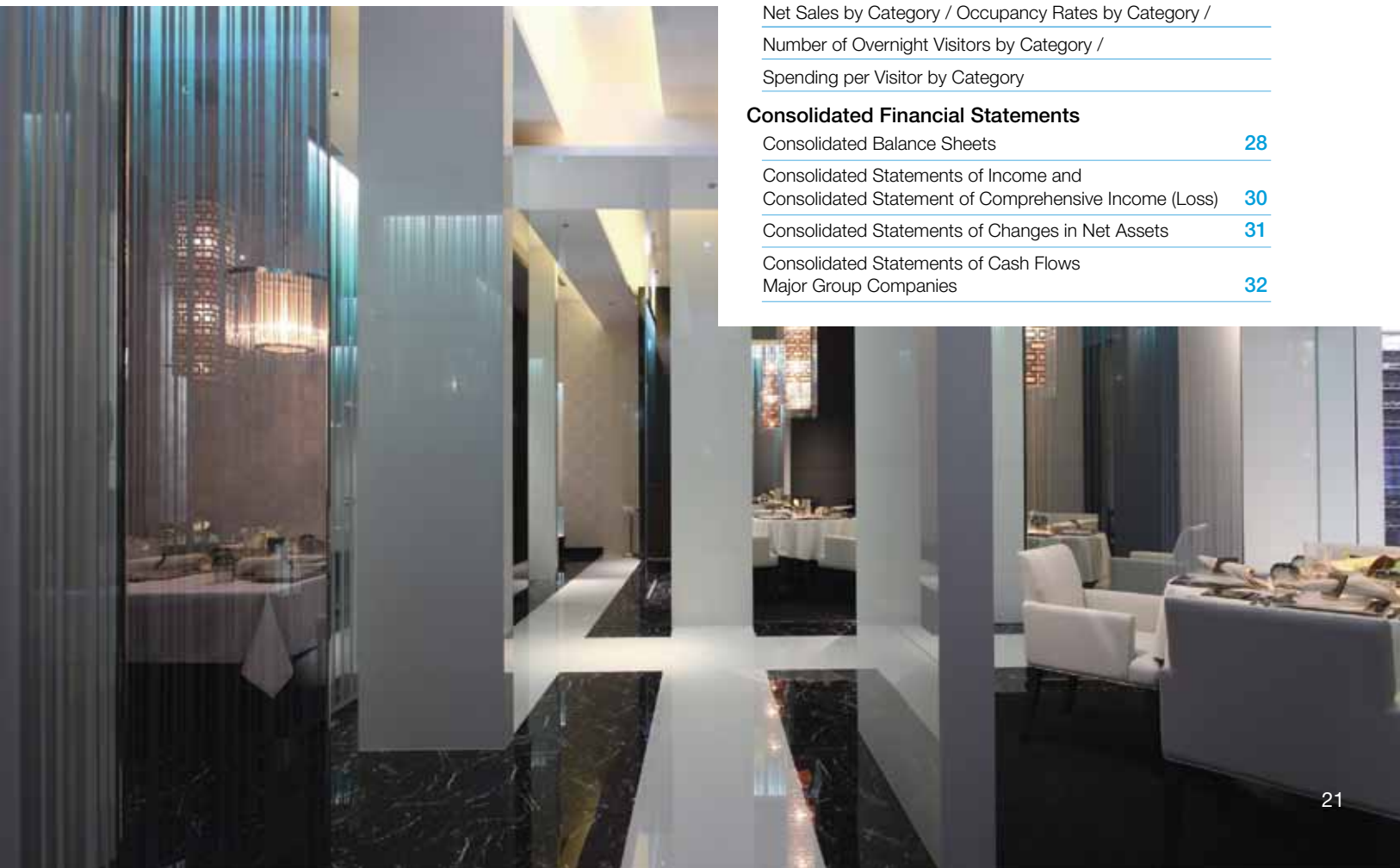
Operating Results	22
Net Sales by Segment / Operating Income by Segment	23
Profitability / Stability	24
Efficiency / Per Share Data	25

Business Data

Membership Indicators / Contract Values by Type	26
Hotel & Restaurant Operations:	27
Net Sales by Category / Occupancy Rates by Category /	
Number of Overnight Visitors by Category /	
Spending per Visitor by Category	

Consolidated Financial Statements

Consolidated Balance Sheets	28
Consolidated Statements of Income and Consolidated Statement of Comprehensive Income (Loss)	30
Consolidated Statements of Changes in Net Assets	31
Consolidated Statements of Cash Flows Major Group Companies	32



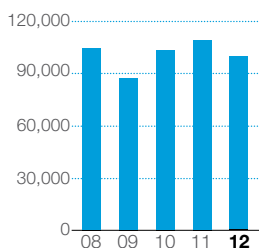
Financial Data (Consolidated Basis)

Operating Results

	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen/%)
Net sales	104,708	87,254	103,645	108,976	99,894
Operating income	14,240	5,407	11,191	13,172	9,891
Ordinary income	14,352	5,444	10,916	13,341	9,443
Income before income taxes and minority interests	12,518	3,697	6,911	7,866	8,969
Net income	7,433	507	4,184	3,300	5,415
Net cash provided by operating activities	7,416	6,114	21,270	14,126	19,657
Net cash used in investing activities	(22,687)	(4,776)	(5,341)	(5,962)	(15,546)
Net cash provided by (used in) financing activities	7,205	(6,506)	(1,457)	(19,131)	(3,351)
Cash and cash equivalents at end of period	22,065	17,060	31,592	21,446	21,888
Net cash provided by operating activities to net sales (%)	7.1	7.0	20.5	13.0	19.7
Total assets	239,983	243,083	256,573	237,359	235,151
Net assets	57,940	50,798	60,273	61,379	64,883

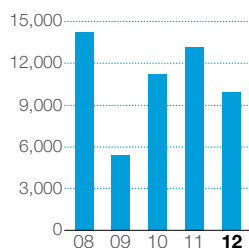
Net Sales

(Millions of Yen)



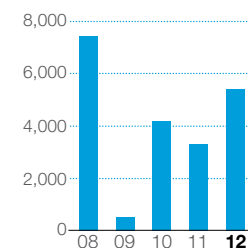
Operating Income

(Millions of Yen)



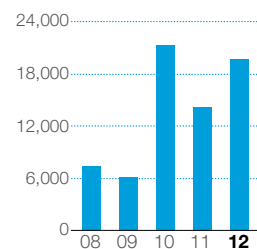
Net Income

(Millions of Yen)



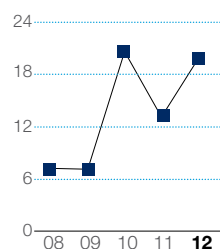
Net Cash Provided by Operating Activities

(Millions of Yen)



Net Cash Provided by Operating Activities to Net Sales

(%)

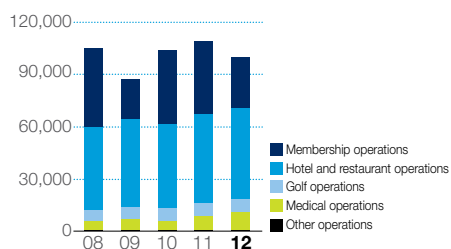


Financial Data

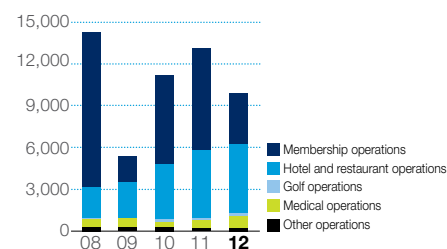
Net Sales by Segment	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
Membership operations	44,909	23,082	42,199	41,727	29,199
Hotel and restaurant operations	48,061	50,388	48,227	51,241	52,184
Golf operations	5,919	6,647	7,390	7,235	7,607
Medical operations	5,563	6,843	5,576	8,473	10,455
Other operations	254	293	250	298	447
Total	104,708	87,254	103,645	108,976	99,894

Operating Income by Segment	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
Membership operations	11,122	1,859	6,413	7,370	3,684
Hotel and restaurant operations	2,162	2,582	3,902	4,863	4,902
Golf operations	116	45	253	156	249
Medical operations	531	649	318	571	827
Other operations	307	270	304	209	226
Total	14,240	5,407	11,191	13,172	9,891

Net Sales by Segment
(Millions of Yen)



Operating Income by Segment
(Millions of Yen)

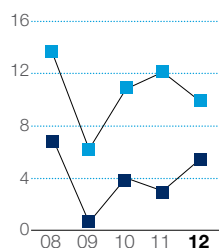


Financial Data

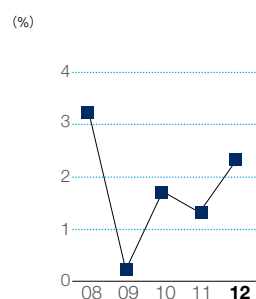
Profitability

	2008/3	2009/3	2010/3	2011/3	2012/3
					(%)
Operating income to net sales	13.6	6.2	10.8	12.1	9.9
Net income to net sales	7.1	0.6	4.0	3.0	5.4
Return on assets (ROA)	3.2	0.2	1.7	1.3	2.3
Return on equity (ROE)	13.0	0.9	8.1	6.1	9.5

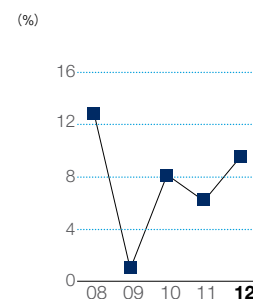
■ Operating Income to Net Sales
■ Net Income to Net Sales
(%)



Return on Assets (ROA)



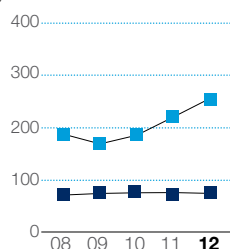
Return on Equity (ROE)



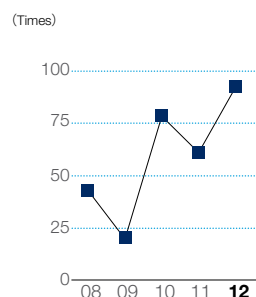
Stability

	2008/3	2009/3	2010/3	2011/3	2012/3
					(%/Times)
Current ratio (%)	186.2	167.4	184.1	219.2	255.0
Ratio of fixed assets to long-term capital (%)	69.5	72.6	73.9	74.3	72.5
Interest coverage ratio (Times)	42.3	19.2	77.9	60.5	91.7
Equity ratio (%)	23.9	20.6	20.7	23.0	25.0

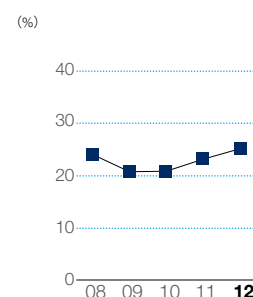
■ Current Ratio
■ Ratio of Fixed Assets to Long-Term Capital
(%)



Interest Coverage Ratio



Equity Ratio



Financial Data

Efficiency

	2008/3	2009/3	2010/3	2011/3	2012/3
					(Times/Days)
Total assets turnover	0.5	0.4	0.4	0.4	0.4
Turnover of equity	1.8	1.7	2.0	2.0	1.7
Receivable turnover days (days)	17.8	23.8	16.3	12.2	14.8
Turnover ratio of inventory	2.3	1.9	2.2	2.8	3.1

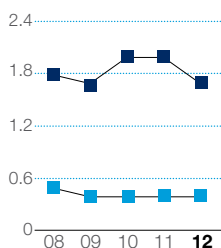
Notes: 1. Total assets turnover = Revenues/Total assets (yearly average)

2. Receivable turnover = Revenues/(trade notes receivables + trade accounts receivables)

Total Assets Turnover

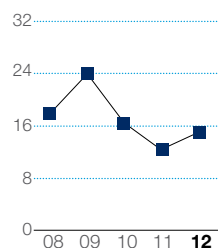
Turnover of Equity

(Times)



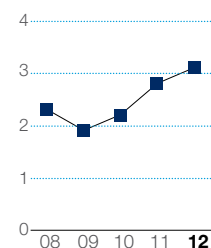
Receivable Turnover Days

(Days)



Turnover Ratio of Inventory

(Times)



Per Share Data

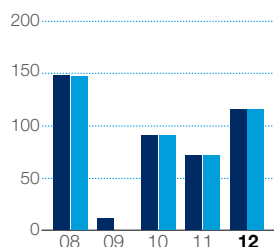
	2008/3	2009/3	2010/3	2011/3	2012/3
					(Yen/%)
Net income per share (basic)	148.5	11.1	90.6	71.4	115.9
Net income per share (diluted)	147.3	—	90.5	71.1	115.7
Net assets per share	1,158.2	1,083.4	1,152.7	1,171.8	1,256.4
Cash dividends per share	50.0	30.0	35.0	30.0	40.0
Payout ratio (%)	33.7	270.2	38.6	42.0	34.5

Note: For the fiscal year ended March 31, 2009, the figure for fully diluted net income per share is not shown, because there were no latent shares that could potentially have a dilutive effect.

Net Income per Share (Basic)

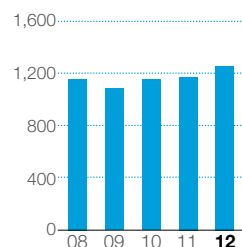
Net Income per Share (Diluted)

(Yen)



Net Assets per Share

(Yen)

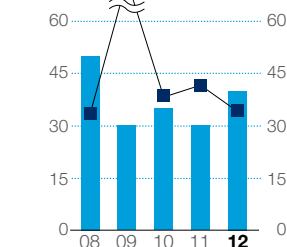


Cash Dividends per Share

Payout Ratio

(Yen)

(%)

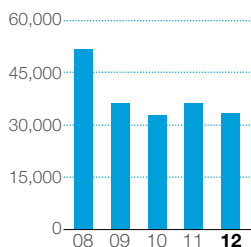


Business Data

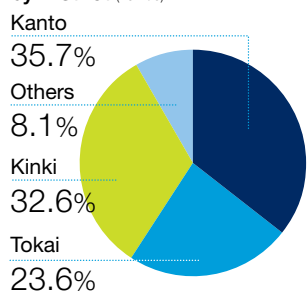
Membership Indicators		2008/3		2009/3		2010/3		2011/3		2012/3	
										(Number of Persons/%)	
Tokyo Baycourt Club	Members	2,839		3,331		4,659		6,286		7,095	
	Corporate	1,390	49.0%	1,622	48.7%	2,267	48.7%	3,115	49.6%	3,589	50.6%
	Individual	1,449	51.0%	1,709	51.3%	2,392	51.3%	3,171	50.4%	3,506	49.4%
XIV	Members	57,145		59,443		60,659		62,127		64,800	
	Corporate	24,400	42.7%	25,257	42.5%	25,389	41.9%	25,787	41.5%	26,933	41.6%
	Individual	32,745	57.3%	34,186	57.5%	35,270	58.1%	36,340	58.5%	37,867	58.4%
Sun Members	Members	40,306		39,522		38,839		38,192		37,429	
Cruiser	Members	489		494		496		472		490	
Golf	Members	23,674		25,114		25,585		25,798		27,428	
HIMEDIC	Members	5,136		5,782		5,964		6,328		6,983	
Total		129,589		133,686		136,202		139,203		144,225	

Contract Values by Type		2008/3		2009/3		2010/3		2011/3		2012/3	
										(Millions of Yen)	
Hotel memberships		51,726		36,306		32,762		36,381		33,378	
Medical memberships		3,114		2,441		1,199		2,486		4,476	
Golf memberships		2,511		2,539		1,180		1,259		1,959	
Cruiser memberships		62		45		32		58		54	
Total		57,413		41,332		35,175		40,185		39,868	

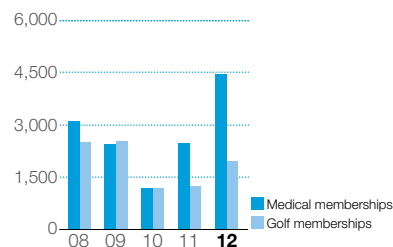
Sales of Hotel Memberships
(Millions of Yen)



Breakdown of XIV Membership by District (2012/3)



Sales of Medical and Golf Memberships
(Millions of Yen)



Business Data

[Hotel & Restaurant Operations]

Net Sales by Category	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
XIV	28,940	28,099	26,865	28,495	30,847
Sun Members resorts	3,269	3,131	2,899	2,676	2,571
Sun Members city hotels	1,422	1,321	1,143	1,326	1,277
Hotel Trusty	2,362	2,968	3,094	3,178	3,134
Baycourt	32*	2,588	2,908	3,112	3,281
Income from membership fees	4,411	5,062	5,126	5,614	6,061
Proceeds from amortizing deposits	1,572	1,940	1,946	2,351	2,710
Other income	6,049	5,274	4,244	4,486	2,299
Total hotel sales	48,061	50,388	48,227	51,241	52,184

Occupancy Rates by Category	2008/3	2009/3	2010/3	2011/3	2012/3
					(%)
XIV	57.8	55.8	53.1	52.9	53.6
Sun Members resorts	58.0	53.2	50.3	46.3	44.0
Sun Members city hotels	75.5	72.9	66.2	69.3	68.4
Hotel Trusty	89.7	83.1	83.0	83.5	83.2
Baycourt	31.9*	21.3	29.2	32.3	35.9

Number of Overnight Visitors by Category	2008/3	2009/3	2010/3	2011/3	2012/3
					(Number of Persons)
XIV	1,723,519	1,659,298	1,603,276	1,684,580	1,775,623
Sun Members resorts	270,924	248,849	228,862	210,715	202,599
Sun Members city hotels	215,563	193,718	168,504	205,407	202,406
Hotel Trusty	260,949	324,169	376,205	380,217	382,596
Baycourt	813*	58,745	79,117	86,216	94,802
Total	2,471,768	2,484,779	2,455,964	2,567,135	2,658,026

Spending per Visitor by Category	2008/3	2009/3	2010/3	2011/3	2012/3
					(Yen)
XIV	16,791	16,935	16,757	16,915	17,373
Sun Members resorts	12,069	12,583	12,669	12,701	12,693
Sun Members city hotels	6,599	6,822	6,786	6,457	6,310
Hotel Trusty	9,052	9,158	8,224	8,359	8,193
Baycourt	39,910*	44,062	36,759	36,096	34,611

*Baycourt: Tokyo Baycourt Club Hotel & Spa Resort opened on March 29, 2008.

Consolidated Balance Sheets (Based on Japanese Accounting Principles)

As of March 31, 2008, 2009, 2010, 2011 and 2012

	2008/3	2009/3	2010/3	2011/3	2012/3 (Millions of Yen)
ASSETS					
Current assets					
Cash and deposits	19,281	18,267	20,352	14,514	22,950
Notes and accounts receivable—trade	5,724	5,668	3,604	3,676	4,401
Operating loans	25,088	27,136	28,350	26,313	24,296
Short-term investment securities	16,995	10,001	17,899	13,999	7,999
Merchandise	662	365	346	352	400
Real estate for sale	21,638	23,352	23,240	23,608	19,726
Raw materials and supplies	848	775	859	859	894
Real estate for sale in process	20,800	24,949	18,626	9,949	8,080
Deferred tax assets	3,110	2,707	4,722	4,640	4,359
Other	3,824	6,377	3,712	2,962	3,552
Allowance for doubtful accounts	(541)	(892)	(1,169)	(829)	(747)
Total current assets	117,432	118,708	120,546	100,047	95,914
Noncurrent assets					
Property, plant and equipment					
Buildings and structures, net	48,989	49,969	52,732	54,359	53,909
Machinery, equipment and vehicles, net	4,857	4,167	2,914	2,338	2,009
Golf courses	8,479	8,555	12,338	12,337	12,245
Land	22,123	24,105	25,582	26,515	27,503
Lease assets, net	—	3,148	3,124	2,933	2,817
Construction in progress	6,535	4,572	3,311	1,287	1,788
Other, net	3,166	2,690	2,414	2,450	1,758
Total property, plant and equipment	94,152	97,210	102,417	102,223	102,032
Intangible assets					
Goodwill	—	407	—	292	237
Other	2,989	3,136	3,723	3,541	3,205
Total intangible assets	2,989	3,544	3,723	3,833	3,442
Investments and other assets					
Investment securities	7,261	6,036	9,614	10,742	16,395
Stocks of subsidiaries and affiliates	8,169	7,233	2,955	1,893	1,315
Long-term loans receivable	4,144	5,254	5,187	3,592	3,443
Deferred tax assets	1,467	558	980	2,133	1,699
Other	5,814	7,215	17,894	19,221	19,143
Allowance for doubtful accounts	(1,448)	(2,508)	(6,726)	(6,317)	(8,233)
Allowance for investment loss	—	(170)	(20)	(10)	—
Total investments and other assets	25,408	23,619	29,886	31,254	33,763
Total noncurrent assets	122,551	124,374	136,027	137,311	139,237
Total assets	239,983	243,083	256,573	237,359	235,151

2008/3

2009/3

2010/3

2011/3

2012/3

(Millions of Yen)

LIABILITIES**Current liabilities**

Notes and accounts payable—trade	802	714	735	642	881
Short-term loans payable	27,328	27,996	15,000	2,110	–
Current portion of long-term loans payable	4,555	6,895	11,088	9,869	8,976
Current portion of bonds	2,050	1,098	1,968	1,924	2,800
Lease obligations	–	267	526	477	511
Accounts payable—other	7,920	6,224	9,577	13,109	8,200
Income taxes payable	3,010	857	5,685	2,398	2,289
Accrued consumption taxes	148	226	723	371	739
Advances received	7,529	18,076	9,504	810	807
Provision for loss on liquidation of subsidiaries and affiliates	–	–	188	–	–
Other	9,722	8,544	10,481	13,939	12,403
Total current liabilities	63,067	70,902	65,480	45,652	37,610

Noncurrent liabilities

Bonds payable	4,500	3,402	7,099	5,175	3,375
Long-term loans payable	8,764	8,868	13,483	10,786	13,584
Lease obligations	–	3,026	3,608	3,272	2,929
Deferred tax liabilities	1,466	1,465	1,450	2,243	1,616
Deferred tax liabilities for land revaluation	31	33	–	–	–
Provision for retirement benefits	272	430	636	849	1,237
Provision for directors' retirement benefits	1,410	1,514	1,560	1,447	1,516
Long-term guarantee deposited	102,452	102,533	102,765	103,772	104,762
Negative goodwill	39	26	13	945	825
Other	37	80	201	1,833	2,810
Total noncurrent liabilities	118,975	121,382	130,820	130,326	132,657
Total liabilities	182,043	192,285	196,300	175,979	170,268

NET ASSETS**Shareholders' equity**

Capital stock	14,216	14,258	14,258	14,258	14,258
Capital surplus	13,948	13,906	13,906	13,906	13,906
Retained earnings	34,252	31,038	33,877	35,016	38,772
Treasury stock	(5,206)	(9,082)	(9,066)	(8,369)	(8,035)
Total shareholders' equity	57,211	50,120	52,976	54,811	58,901

Other comprehensive income

Valuation difference on available-for-sale securities	148	(144)	257	(198)	(92)
Revaluation reserve for land	44	46	–	–	–
Total other comprehensive income	192	(97)	257	(198)	(92)

Subscription rights to shares

	–	–	189	366	544
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Minority interests

	536	775	6,849	6,400	5,529
Total net assets	57,940	50,798	60,273	61,379	64,883
Total liabilities and net assets	239,983	243,083	256,573	237,359	235,151

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (Loss)

Years ended March 31, 2008, 2009, 2010, 2011 and 2012

(Based on Japanese Accounting Principles)

Consolidated Statements of Income

	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
Net sales	104,708	87,254	103,645	108,976	99,894
Cost of sales	25,805	16,892	28,635	28,247	19,221
Gross profit	78,902	70,362	75,009	80,728	80,672
Total selling, general and administrative expenses	64,662	64,954	63,818	67,556	70,780
Advertising expenses	1,496	1,309	912	981	1,245
Membership service expenses	691	727	550	718	825
Repair and maintenance	2,548	2,289	2,627	2,646	2,578
Linen expenses	2,234	2,935	2,916	2,997	3,012
Employees' salaries and bonuses and directors' compensation	26,231	25,246	25,354	25,749	27,848
Depreciation	4,566	5,616	5,425	5,681	5,723
Other	26,893	26,831	26,030	28,780	29,544
Operating income	14,240	5,407	11,191	13,172	9,891
Total non-operating income	674	703	708	808	1,999
Interest and dividend income	421	449	366	324	378
Other	253	254	341	483	1,620
Total non-operating expenses	561	667	983	639	2,447
Interest expenses paid on loans and bonds	167	317	279	236	211
Other	394	349	703	402	2,236
Ordinary income	14,352	5,444	10,916	13,341	9,443
Total extraordinary income	720	260	21	668	892
Total extraordinary losses	2,555	2,007	4,026	6,142	1,366
Income before income taxes and minority interests	12,518	3,697	6,911	7,866	8,969
Income taxes—current	5,983	1,855	6,653	5,493	4,955
Income taxes—deferred	(975)	1,511	(2,736)	(744)	2
Total income taxes	5,007	3,367	3,917	4,749	4,958
Net income before minority interests	—	—	—	3,117	4,011
Minority interests in income (loss)	77	(177)	(1,190)	(183)	(1,403)
Net income	7,433	507	4,184	3,300	5,415

Consolidated Statements of Comprehensive Income

	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
Net income before minority interests	—	—	—	3,117	4,011
Other comprehensive income	—	—	—	(456)	106
Unrealized gain (loss) on available-for-sale securities	—	—	—	(456)	106
Comprehensive income	—	—	—	2,660	4,118
Comprehensive income attributable to					
Owners of the parent	—	—	—	2,843	5,521
Minority interests	—	—	—	(182)	(1,403)

Consolidated Statements of Changes in Net Assets (Based on Japanese Accounting Principles)

Years ended March 31, 2011 and 2012

	2011/3	2012/3
	(Millions of Yen)	
Shareholders' Equity		
Capital stock		
Balance at the beginning of current period	14,258	14,258
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	14,258	14,258
Capital surplus		
Balance at the beginning of current period	13,906	13,906
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	13,906	13,906
Retained earnings		
Balance at the beginning of current period	33,877	35,016
Changes of items during the period		
Dividends from surplus	(1,847)	(1,400)
Net income	3,300	5,415
Disposal of treasury stock	(156)	(98)
Change of scope of consolidation	(157)	(160)
Total changes of items during the period	1,139	3,755
Balance at the end of current period	35,016	38,772
Treasury stock		
Balance at the beginning of current period	(9,066)	(8,369)
Changes of items during the period		
Purchase of treasury stock	(1)	(1)
Disposal of treasury stock	698	335
Total changes of items during the period	696	334
Balance at the end of current period	(8,369)	(8,035)
Total shareholders' equity		
Balance at the beginning of current period	52,976	54,811
Changes of items during the period		
Dividends from surplus	(1,847)	(1,400)
Net income	3,300	5,415
Purchase of treasury stock	(1)	(1)
Disposal of treasury stock	542	236
Change of scope of consolidation	(157)	(160)
Total changes of items during the period	1,835	4,089
Balance at the end of current period	54,811	58,901

	2011/3	2012/3
	(Millions of Yen)	
Other Comprehensive Income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	257	(198)
Changes of items during the period		
Net changes of items other than shareholders' equity	(456)	106
Total changes of items during the period	(456)	106
Balance at the end of current period	(198)	(92)
Total other comprehensive income		
Balance at the beginning of current period	257	(198)
Changes of items during the period		
Net changes of items other than shareholders' equity	(456)	106
Total changes of items during the period	(456)	106
Balance at the end of current period	(198)	(92)
Subscription Rights to Shares		
Balance at the beginning of current period	189	366
Changes of items during the period		
Net changes of items other than shareholders' equity	176	178
Total changes of items during the period	176	178
Balance at the end of current period	366	544
Minority Interests		
Balance at the beginning of current period	6,849	6,400
Changes of items during the period		
Net changes of items other than shareholders' equity	(448)	(870)
Total changes of items during the period	(448)	(870)
Balance at the end of current period	6,400	5,529
Total Net Assets		
Balance at the beginning of current period	60,273	61,379
Changes of items during the period		
Dividends from surplus	(1,847)	(1,400)
Net income	3,300	5,415
Purchase of treasury stock	(1)	(1)
Disposal of treasury stock	542	236
Change of scope of consolidation	(157)	(160)
Net changes of items other than shareholders' equity	(729)	(585)
Total changes of items during the period	1,106	3,503
Balance at the end of current period	61,379	64,883

Consolidated Statements of Cash Flows (Based on Japanese Accounting Principles)

Years ended March 31, 2008, 2009, 2010, 2011 and 2012

	2008/3	2009/3	2010/3	2011/3	2012/3
					(Millions of Yen)
Cash flows from operating activities	7,416	6,114	21,270	14,126	19,657
Cash flows from investing activities	(22,687)	(4,776)	(5,341)	(5,962)	(15,546)
Cash flows from financing activities	7,205	(6,506)	(1,457)	(19,131)	(3,351)
Effect of exchange rate changes on cash and cash equivalents	(0)	1	(0)	(0)	(0)
Net increase (decrease) in cash and cash equivalents	(8,066)	(5,167)	14,472	(10,967)	759
Cash and cash equivalents at beginning of period	29,950	22,065	17,060	31,592	21,446
Increase (decrease) from change in scope of consolidation	181	162	59	821	(317)
Cash and cash equivalents at end of period	22,065	17,060	31,592	21,446	21,888

Major Group Companies (Consolidated Subsidiaries)

(As of March 31, 2012)

Company Name	Activities	Capital (Millions of Yen)	Voting interest (%)
JES Co., Ltd.	Cleaning business	10	100
Sun Hotel Agent Co., Ltd.	Nonlife insurance agency business	10	100 (100)
R.C.I. JAPAN CO., LTD.	Brokerage service for mutual use of facilities	10	90 (45)
COMPLEX BIZ INTERNATIONAL Co., LTD.	Manufacture and sale of hair accessories; comprehensive beauty care business	50	100
Resorttrust Golf Business Co., Ltd.	Golf course operation and sale of golf course membership	100	100
High Technology Medical Complex Co., Ltd.	Sale and management of medical club membership	300	100
Tokyo Midtown Medicine Co., Ltd.	Consulting services for medical facility management	100	66.5 (66.5)
Well Trust Co., Ltd.	Senior residence businesses	495	100
Trust Garden Co., Ltd.	Senior residence businesses	50	100
R.T. DEVELOPMENT CO., LTD.	Real estate leasing	100	100
JUSTFINANCE Co., Ltd.	Money lending	10	100
BEST CREDIT Co., Ltd.	Money lending	10	100
R.F.S. Co., Ltd.	Accounting services and general administration for affiliated companies	10	100
Maple Point Golf Club Co., LTD.	Golf course operation and sale of golf course membership	100	8.5 (0.2) [40.2]
OAKMONT GOLF CLUB CO., LTD.	Golf course operation and sale of golf course membership	100	6.9 (0.1) [34.8]
KANSAI GOLF CLUB Co., LTD.	Golf course operation and sale of golf course membership	100	100 (100)
Advanced Medical Care Inc.	Consulting services for medical facility management	100	89.8 (89.8)

Note: Figures in parentheses indicate indirect shareholding ratio.

Figures in brackets indicate voting rights rate held by subsidiaries.

Corporate Data

(As of March 31, 2012)

Company Name

Resorttrust, Inc.
URL <http://www.resorttrust.co.jp/>

Headquarters

2-18-31, Higashisakura, Naka-ku, Nagoya-shi,
Aichi 460-8490, Japan Tel: +81-52-933-6000

Tokyo Office

Resorttrust Tokyo Bldg., 4-36-19, Yoyogi, Shibuya-ku,
Tokyo 151-0053, Japan Tel: +81-3-6731-0001

Established

April 1973

Common Stock

¥14,258.11 million

Number of Employees

4,229 (Consolidated)

Fiscal Year-End

March 31

Stock Information

(As of March 31, 2012)

Shareholder Information

Stock Exchange Listings: Tokyo Stock Exchange, First Section
Nagoya Stock Exchange,
First Section

Common Shares: 150,000,000 shares

Total Number of Shares Issued: 51,705,748 shares

Number of Shareholders: 19,430

Shareholder Benefits

When Benefits Are Fixed: The end of March, for shareholders with 100 or more shares

Details: Restaurant discount ticket (50%, 30% discount)
Can be used for food and drink by those who are eligible and staying at Hotel Trusty series properties.

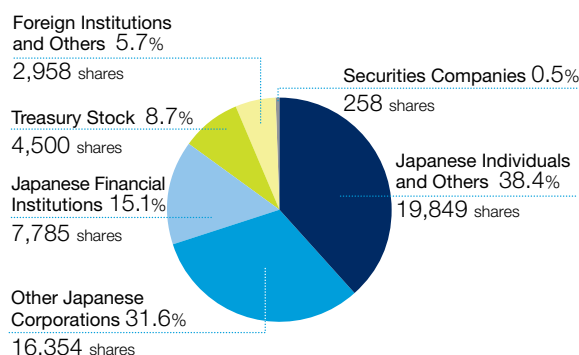
Major Shareholders

Name	Number of Shares Owned (Thousands)	Percentage of Total Shares Issued (%)
Takarazuka Corporation, Inc.	6,709	13.0
GI Co. Ltd.	1,780	3.4
K.I. Corporation	1,728	3.3
SAPPORO BREWERIES LIMITED	1,675	3.2
Yoshiro Ito	1,501	2.9
Japan Trustee Services Bank, Ltd. (Trust Account)	1,412	2.7
Japan Master Trust Bank of Japan (Trust Account)	1,017	2.0
Japan Trustee Services Bank, Ltd. (Trust Account 4)	828	1.6
Sumitomo Life Insurance Company	777	1.5
Resorttrust Employee Shareholder Association	769	1.5

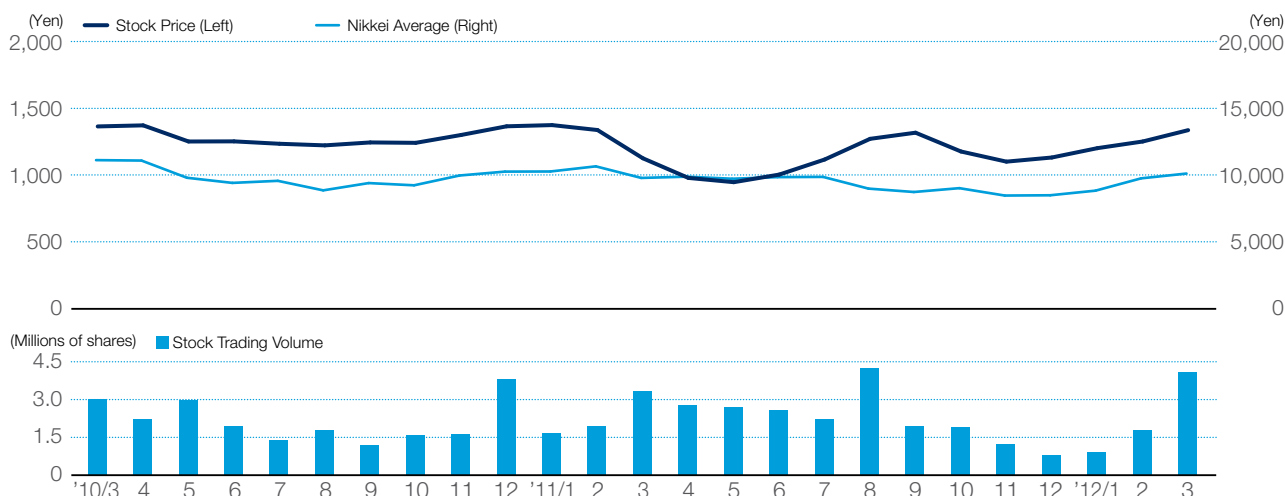
Note: In addition to the above, there are 4,500 thousand shares (8.7%) of treasury stock.

Composition of Shareholders by Category

Shares (Thousands)



Price Range of Stock and Trading Volume





<http://www.resorttrust.co.jp/>