

RESORTTRUST FINANCIAL DATE 2012

CONSOLIDATED FINANCIAL SUMMARY

For the Third Quarter Ended December 31,2010,2011 and 2012



RESORTTRUST
GROUP

CONSOLIDATED FINANCIAL SUMMARY

For the Third Quarter Ended December 31,2010,2011 and 2012

(millions of yen)

	3Q			Fiscal Year	
	Dec-31,2010	Dec-31,2011	Dec-31,2012	2011	2012 target
Net sales	73,991	74,409	80,546	99,894	106,200
Operating income	10,241	8,400	11,346	9,891	10,700
Ordinary income	10,190	9,261	11,805	9,443	10,800
Net income (interim)	5,507	5,636	7,170	5,415	6,400
Net assets	63,499	65,838	71,758	64,915	
Assets	251,392	239,416	248,821	235,210	
Net assets per share (yen)	1,221.59	1,257.99	1,362.12	1,256.39	
Net income per share (yen) (Primary)	119.22	120.77	152.21	115.95	
Net income per share (yen) (Fully Diluted)	118.75	120.67	151.01	115.72	
Equity rate (%)	22.5	24.6	26.0	25.0	
Return on assets (%)	-	-	-	2.29%	
Return on equity (%)	-	-	-	9.55%	
Net cash provided by (used in) operating activities	8,230	13,021	17,105	19,657	
Net cash provided by (used in) investment activities	(7,264)	(11,682)	(8,996)	(15,546)	
Net cash provided by (used in) financing activities	(9,125)	1,294	6,242	(3,351)	
Cash and cash equivalents	24,254	24,621	36,240	21,888	

MAJOR MANAGEMENT INDICES

For the Third Quarter Ended December 31, 2010, 2011 and 2012

Net sales

(Millions of Yen)

	3Q		
	2010	2011	2012
Membership Operations	20,704	19,921	21,785
Hotel and Restaurant Operations	40,756	40,213	42,214
Golf Operations	6,150	6,176	7,234
Medical Operations	6,192	7,761	8,744
Others	187	336	566
Total	73,991	74,409	80,546

Operating income

(Millions of Yen)

	3Q		
	2010	2011	2012
Membership Operations	4,171	2,286	3,973
Hotel and Restaurant Operations	4,923	4,933	4,829
Golf Operations	498	436	831
Medical Operations	499	605	1,468
Others	148	137	243
Total	10,241	8,400	11,346

Business Results

(1) Overview of Third Quarter of Fiscal Year Ending March 31, 2012

1. Summary of Business Results

(¥ million)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	74,409	80,546	82,500	+8.2%	(2.4%)
Operating income	8,400	11,346	10,200	+35.1%	+11.2%
Ordinary income	9,261	11,805	10,100	+27.5%	+16.9%
Net income	5,636	7,170	6,000	+27.2%	+19.5%

The Japanese economy during the Third Quarter under review started to gradually recover against the backdrop of reconstruction demand following the Great East Japan Earthquake. Although in addition to problems in the electricity supply and the prolonged appreciation of the yen, concerns over a slowdown in the global economy stemming from the European debt crisis and other factors is continuing to make the outlook uncertain.

Under these circumstances, the current status of the Group is summarized as follows. Facilities that were closed during the same quarter of the previous fiscal year, due to the effects of the earthquake, resumed operations this quarter. In addition, XIV Karuizawa PASEO, XIV Karuizawa SANCTUARY VILLA MUSEO, and Hotel Trusty Osaka Abeno, all of which opened in March this year, began full-year operations, and sales of golf course memberships at the KANSAI GOLF CLUB., which has become a member of the Group since last September, have been strong. As a result, both sales and income for the third quarter under review increased, with the figures as follows: net sales increased 8.2% year on year to ¥80,546 million, operating income surged 35.1% to ¥11,346 million, ordinary income rose 27.5% to ¥11,805 million, and net income stood at ¥7,170 million, up 27.2% 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)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	19,921	21,785	22,930	+9.4%	(5.0%)
Operating income	2,286	3,973	3,320	+73.8%	+19.7%

Membership Operations resulted in increased sales and income, primarily reflecting strong sales of memberships in the Tokyo Baycourt Club.

【Hotel and Restaurant Operations】

(¥ million)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	40,213	42,214	43,860	+5.0%	(3.8%)
Operating income	4,933	4,829	5,130	(2.1%)	(5.9%)

Hotel and Restaurant Operations resulted in increased sales and decreased income. This primarily reflected the contribution to profits made from the operating revenue from the full-year operations of facilities that were closed during the same quarter of the previous fiscal year due to the effects of the earthquake and the membership resort hotels and city hotel which opened in March of this year, which was offset by an increase mainly in expenses for repair and maintenance of facilities.

【Golf Operations】

(¥ million)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	6,176	7,234	7,440	+17.1%	(2.8%)
Operating income	436	831	810	+90.5%	+2.6%

Golf Operations resulted in increased sales and income, primarily attributable to strong sales of golf course memberships at the consolidated subsidiary the KANSAI GOLF CLUB., in addition to the full-year operation of the Grandee Nasu Shirakawa Golf Club (Fukushima Prefecture), which was temporary closed in the same quarter of the previous fiscal year due to the effects of the earthquake.

【Medical Operations】

(¥ million)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	7,761	8,744	7,760	+12.7%	+12.7%
Operating income	605	1,468	830	+142.6%	+76.9%

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)

	3QFY2011 (Results)	3QFY2012		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	336	566	510	+68.5%	+11.1%
Operating income	137	243	110	+76.3%	+121.1%

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

3. Cash Flows

(¥ million)

	3QFY2011 (Results)	3QFY2012 (Results)
Operating cash flows	13,021	17,105
Investing cash flows	(11,682)	(8,996)
Financing cash flows	1,294	6,242
Cash and cash equivalents	24,621	36,240

4. Outlook for the Fiscal Year Ending March 31, 2013

(¥ million)

	FY2011 (Results)	FY2012 (target)	Year-on-year Change
Net sales	99,894	106,200	+6.3%
Operating income	9,891	10,700	+8.2%
Ordinary income	9,443	10,800	+14.4%
Net income	5,415	6,400	+18.2%

CONSOLIDATED BALANCE SHEETS

(Based on Japanese Accounting Principles)

(Millions of yen)

	December 31 2012	March 31 2012
Assets		
Current assets		
Cash and deposits	29,946	22,950
Notes and accounts receivable—trade	4,575	4,401
Operating loans	23,693	24,296
Short-term investment securities	18,101	7,999
Merchandise	474	400
Real estate for sale	13,904	19,726
Raw materials and supplies	1,036	894
Real estate for sale in process	8,118	8,080
Deferred tax assets	3,851	4,359
Other	3,344	3,552
Allowance for doubtful accounts	(718)	(747)
Total current assets	106,329	95,914
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	53,365	53,909
Machinery, equipment and vehicles, net	1,795	2,009
Golf courses	12,272	12,245
Land	27,983	27,503
Lease assets, net	2,657	2,817
Construction in progress	2,214	1,788
Other, net	1,452	1,758
Total property, plant and equipment	101,740	102,032
Intangible assets		
Goodwill	291	237
Software	869	1,099
Other	2,088	2,105
Total intangible assets	3,250	3,442
Investments and other assets		
Investment securities	20,011	16,395
Stocks of subsidiaries and affiliates	1,217	1,315
Long-term loans receivable	3,335	3,443
Deferred tax assets	1,933	1,699
Other	18,994	19,143
Allowance for doubtful accounts	(7,992)	(8,233)
Total investments and other assets	37,501	33,763
Total noncurrent assets	142,491	139,237
Total assets	248,821	235,151

CONSOLIDATED BALANCE SHEETS

(Based on Japanese Accounting Principles)

(Millions of yen)

	December 31 2012	March 31 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	1,211	881
Short-term loans payable	1,150	—
Current portion of long-term loans payable	7,456	8,976
Current portion of bonds	2,525	2,800
Lease obligations	519	511
Accounts payable-other	5,409	8,200
Income taxes payable	1,824	2,289
Accrued consumption taxes	833	739
Advances received	755	807
Unearned revenue	10,955	7,413
Provision for loss on guarantees	120	82
Provision for loss on disaster	10	150
Other	7,318	4,756
Total current liabilities	40,089	37,610
Noncurrent liabilities		
Bonds payable	2,725	3,375
Long-term loans payable	20,170	13,584
Deferred tax liabilities	1,642	1,616
Lease obligations	2,606	2,929
Provision for retirement benefits	610	1,237
Provision for directors' retirement benefits	1,559	1,516
Provision for stocks payment	45	—
Long-term guarantee deposited	104,474	104,762
Negative goodwill	734	825
Other	2,404	2,810
Total noncurrent liabilities	136,973	132,657
Total liabilities	177,063	170,268
Net assets		
Shareholders' equity		
Capital stock	14,258	14,258
Capital surplus	13,906	13,906
Retained earnings	43,546	38,772
Treasury stock	(6,774)	(8,035)
Total shareholders' equity	64,937	58,901
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(132)	(92)
Total accumulated other comprehensive income	(132)	(92)
Subscription rights to shares	441	544
Minority interests	6,511	5,529
Total net assets	71,758	64,883
Total liabilities and net assets	248,821	235,151

CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	December 31 2011	December 31 2012
Net sales	74,409	80,546
Cost of sales	13,794	14,788
Gross profit	60,615	65,757
Selling, general and administrative expenses		
Salaries and bonuses	20,093	21,235
Provision for directors' retirement benefits	54	43
Repair and maintenance	1,546	1,785
Provision of allowance for doubtful accounts	—	10
Provision for loss on guarantees	37	37
Utilities expenses	3,332	3,599
Depreciation	4,238	3,830
Other	22,912	23,869
Total selling, general and administrative expenses	52,214	54,410
Operating income	8,400	11,346
Non-operating income		
Interest income	208	402
Dividends income	24	51
Interests and charge for installment payment	5	3
Reversal of allowance for investment loss	6	—
Equity in earnings of affiliates	6	—
Amortization of negative goodwill	90	90
Reversal of allowance for doubtful accounts	218	212
Insurance premiums refunded cancellation	436	65
Other	293	158
Total non-operating income	1,290	985
Non-operating expenses		
Interest expenses paid on loans and bonds	155	191
Equity in losses of affiliates	—	108
Guarantee charge of unearned revenue	13	1
Commission for syndicate loan	31	3
Undeductible consumption tax	121	151
Other	107	70
Total non-operating expenses	428	526
Ordinary income	9,261	11,805

CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	December 31 2011	December 31 2012
Extraordinary income		
Compensation income	—	192
Gain on sales of noncurrent assets	0	1
Gain on sales of subsidiaries and affiliates' stocks	21	14
Gain on change in equity	193	—
Other	6	1
Total extraordinary income	220	209
Extraordinary loss		
Loss on retirement of noncurrent assets	24	20
Loss on sales of noncurrent assets	3	13
Loss on valuation of investment securities	6	—
Impairment loss	163	—
Loss on disaster	159	—
Other	24	1
Total extraordinary losses	381	34
Income before income taxes and minority interests	9,100	11,979
Income taxes—current	3,186	4,208
Income taxes—deferred	374	319
Total income taxes	3,561	4,527
Income before minority interests	5,538	7,452
Minority interests in income (loss)	(98)	281
Net income	5,636	7,170

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

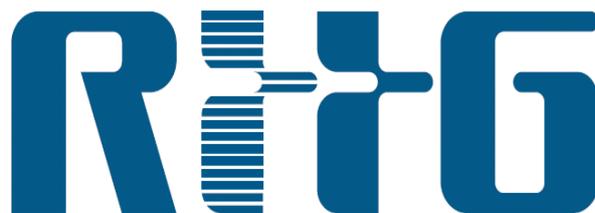
(Millions of yen)

	December 31 2011	December 31 2012
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	9,100	11,979
Depreciation and amortization	4,576	4,103
Impairment loss	163	—
Amortization of goodwill (negative goodwill)	(27)	(36)
Increase (decrease) in allowance for doubtful accounts	(223)	(271)
Increase (decrease) in provision for retirement benefits	261	365
Amount of money on securities contribution to employees' retirement benefits trust	—	(1,000)
Increase (decrease) in provision for directors' retirement benefits	54	43
Interest and dividends income	(233)	(454)
Interest expenses paid on loans and bonds	155	191
Loss (gain) on valuation of investment securities	6	—
Increase (decrease) in allowance for investment loss	(6)	—
Decrease (increase) in notes and accounts receivable—trade	1,146	447
Decrease (increase) in inventories	4,178	5,152
Increase (decrease) in notes and accounts payable—trade	532	329
Increase (decrease) in accounts payable—other	(6,185)	(2,406)
Increase (decrease) in advances received	2,258	(57)
Increase (decrease) in long-term guarantee deposits received	(359)	(291)
Increase (decrease) in accrued consumption taxes	435	121
Other, net	2,149	3,428
Subtotal	17,983	21,645
Interest and dividends income received	224	332
Interest expenses paid	(148)	(183)
Income taxes paid	(5,037)	(4,689)
Net cash provided by (used in) operating activities	13,021	17,105
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,969)	(493)
Proceeds from withdrawal of time deposits	2,529	2,593
Purchase of short-term investment securities	(50,483)	(35,405)
Proceeds from sales and redemption of securities	47,000	32,500
Purchase of investment securities	(3,692)	(6,162)
Proceeds from sales and redemption of investment securities	200	1,300
Purchase of stocks of subsidiaries and affiliates	(32)	(18)
Proceeds from sales of stocks of subsidiaries and affiliates	68	24
Purchase of property, plant and equipment and intangible assets	(4,133)	(3,091)
Payments of loans receivable	(60)	(68)
Collection of loans receivable	91	169
Other, net	(1,198)	(345)
Net cash provided by (used in) investing activities	(11,682)	(8,996)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(60)	1,000
Proceeds from long-term loans payable	11,323	12,704
Repayment of long-term loans payable	(9,033)	(7,764)
Proceeds from issuance of bonds	1,075	—
Redemption of bonds	(1,159)	(925)
Purchase of treasury stock	(0)	(0)
Proceeds from disposal of treasury stock	182	846
Cash dividends paid	(1,400)	(2,120)
Cash dividends paid to minority shareholders	(0)	(0)
Other, net	367	2,503
Net cash provided by (used in) financing activities	1,294	6,242
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	2,633	14,352
Cash and cash equivalents at beginning of period	21,446	21,888
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	540	—
Cash and cash equivalents at end of period	24,621	36,240

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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