

Financial results Presentation

For the 3-month Period Ended June 30, 2019



Scheduled to be opened “THE KAHALA HOTEL & RESORT YOKOHAMA” on June 17, 2020

Online reservation Started on June 18, 2019

Left:14th Floor Sky Lobby(sample image), Upper right: Exterior view(sample image), Bottom right :Premiere Suite (Guest room/sample image)

Resorttrust, Inc. (Securities code 4681)

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Financial Highlights 1Q FY2019

(April to June)



(Million yen)

	2019/6 (results)	2019/6 (targets)	Difference	2018/6 (results)	YoY Change
Net Sales	39,258	40,090	(2.1%)	39,897	(1.6%)
Operating Income	2,442	2,460	(0.7%)	2,143	+14.0%
Ordinary Income	2,557	2,470	+3.6%	2,394	+6.8%
Net Income	1,492	1,480	+0.9%	1,380	+8.1%

<Difference>

- Net sales, operating income, ordinary income, and net income were virtually the same level as the targets because, although contract values of memberships were higher than the target, occupancy rates at hotels and facilities for the elderly fell short of the targets and expenses not included in the plan were recorded in the Hotel and Restaurant Segment.

<YoY Change>

- Net sales decreased slightly partly because there were no openings of hotels whereas revenue from properties in line with the opening of “XIV Rokko Sanctuary Villa” was recorded as a lump sum in the same period of the previous year. On the other hand, profitability increased mainly because of increases in contract values of hotel memberships and HIMEDIC memberships, resulting in higher operating income, ordinary income, and net income.

Segment Sales and Operation Income 1Q FY2019



(April to June)

<Sales>

(Million yen)

	Membership	Hotel and Restaurant	Medical	Other		Total
2019/6 (results)	10,431	19,917	8,744	164		39,258
2019/6 (targets)	9,540	21,350	9,050	150		40,090
Difference	+9.3%	(6.7%)	(3.4%)	+9.7%		(2.1%)
2018/6 (results)	12,431	19,271	8,025	169		39,897
YoY Change	(16.1%)	+3.4%	+9.0%	(2.7%)		(1.6%)

<Operating Income>

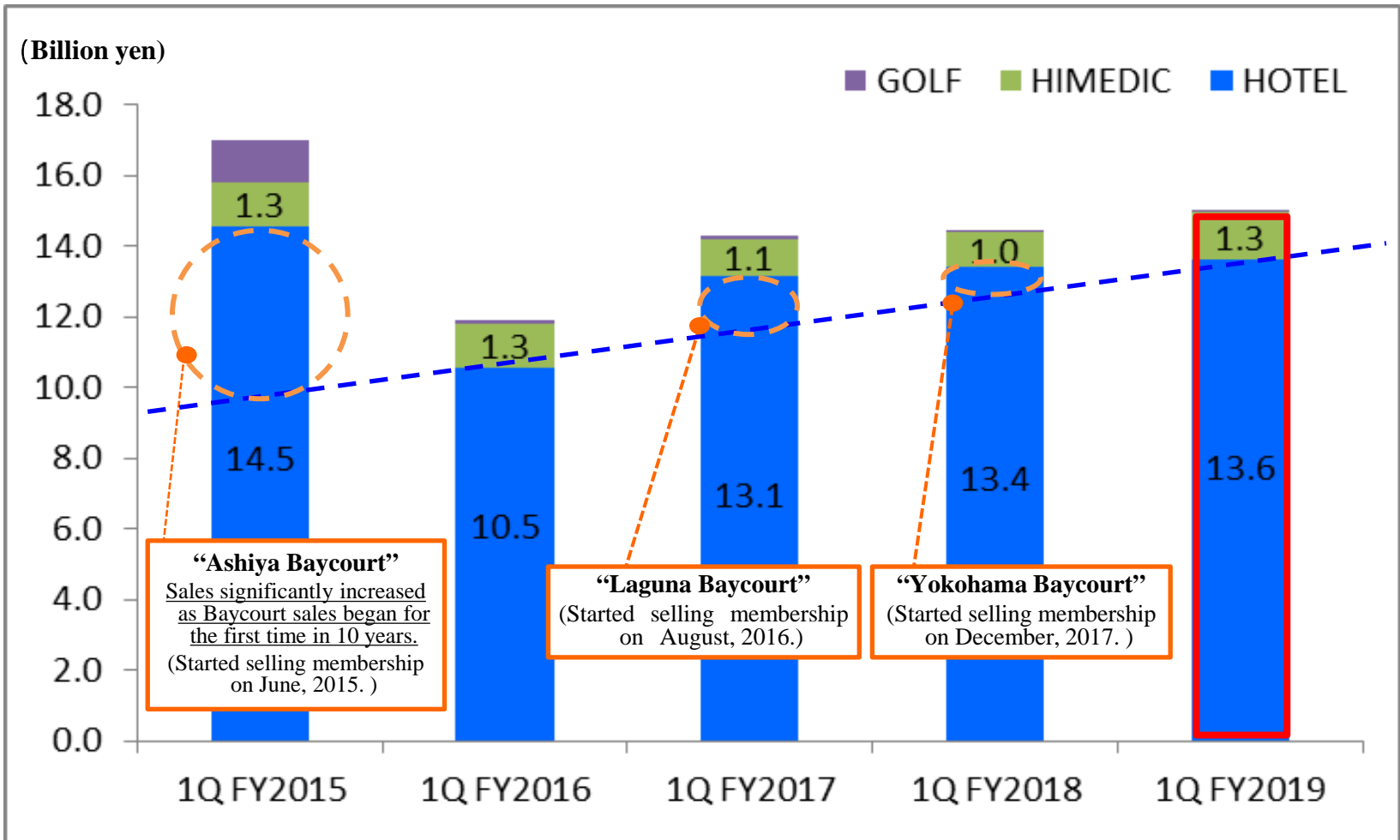
(Million yen)

	Membership	Hotel and Restaurant	Medical	Other	Overhead expenses	Total
2019/6 (results)	3,278	12	1,206	75	(2,130)	2,442
2019/6 (targets)	3,050	210	1,300	70	(2,170)	2,460
Difference	+7.5%	(93.9%)	(7.2%)	+8.0%	+39	(0.7%)
2018/6 (results)	2,942	305	1,068	61	(2,234)	2,143
YoY Change	+11.4%	(95.8%)	+12.9%	+22.7%	+104	+14.0%

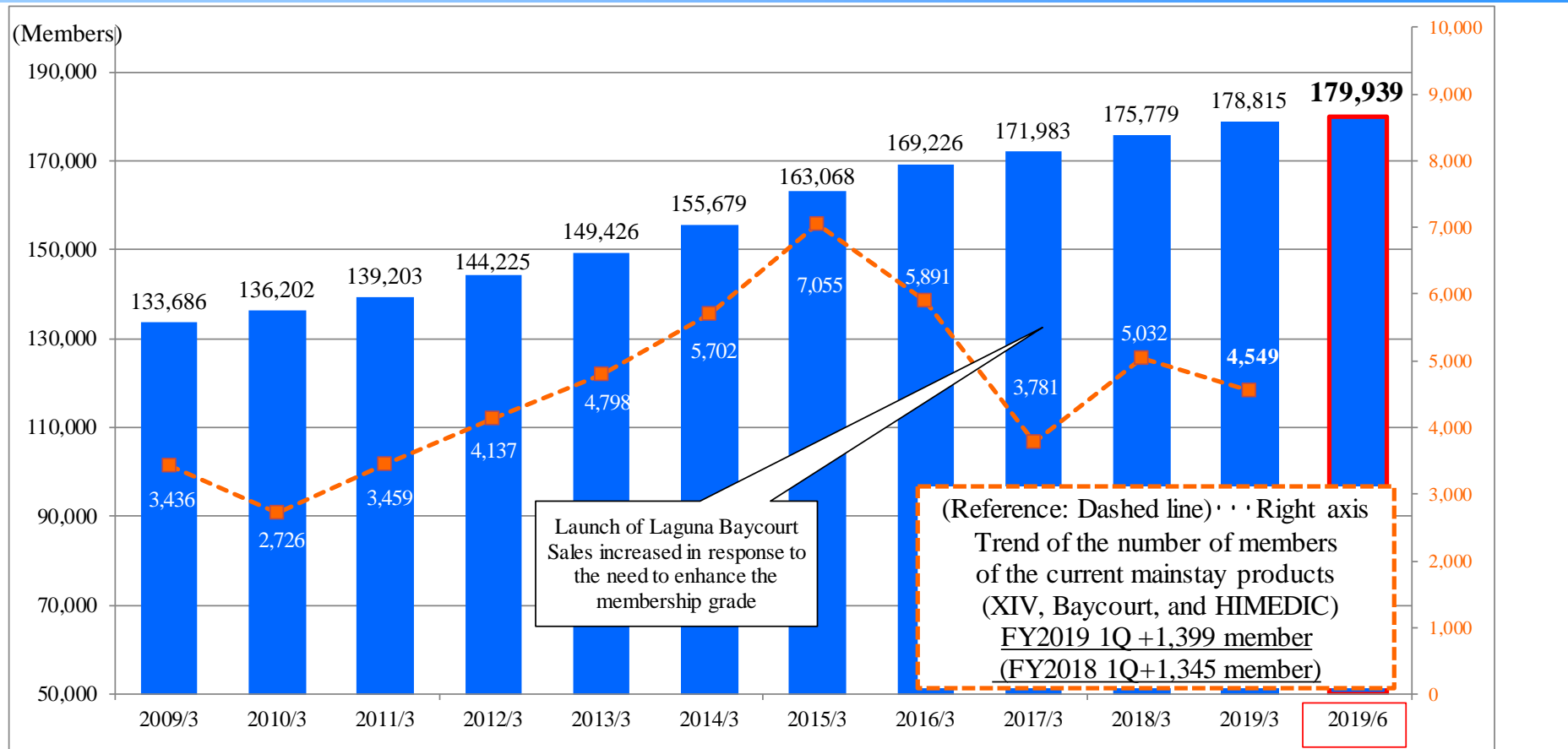
"Difference" and "YoY Change" are the difference in the amount.

Progress of contract values for three months

- The trend line of contract values of hotel memberships was robust, excluding the impact of starting sales of new facility memberships in the past (simulation). Regarding the breakdown of contract values by product, the concentration on Laguna Baycourt has gradually become less pronounced. ※P.23 The plan for FY2019 calls for annual contract values of 53.6 billion yen (+2.0 billion yen compared with the previous FY).
- Contract values of HIMEDIC memberships during 1Q FY2019, whose sales as a new product started in October 2018, were solid, having exceeded the levels of the previous two FYs.



Number of Members



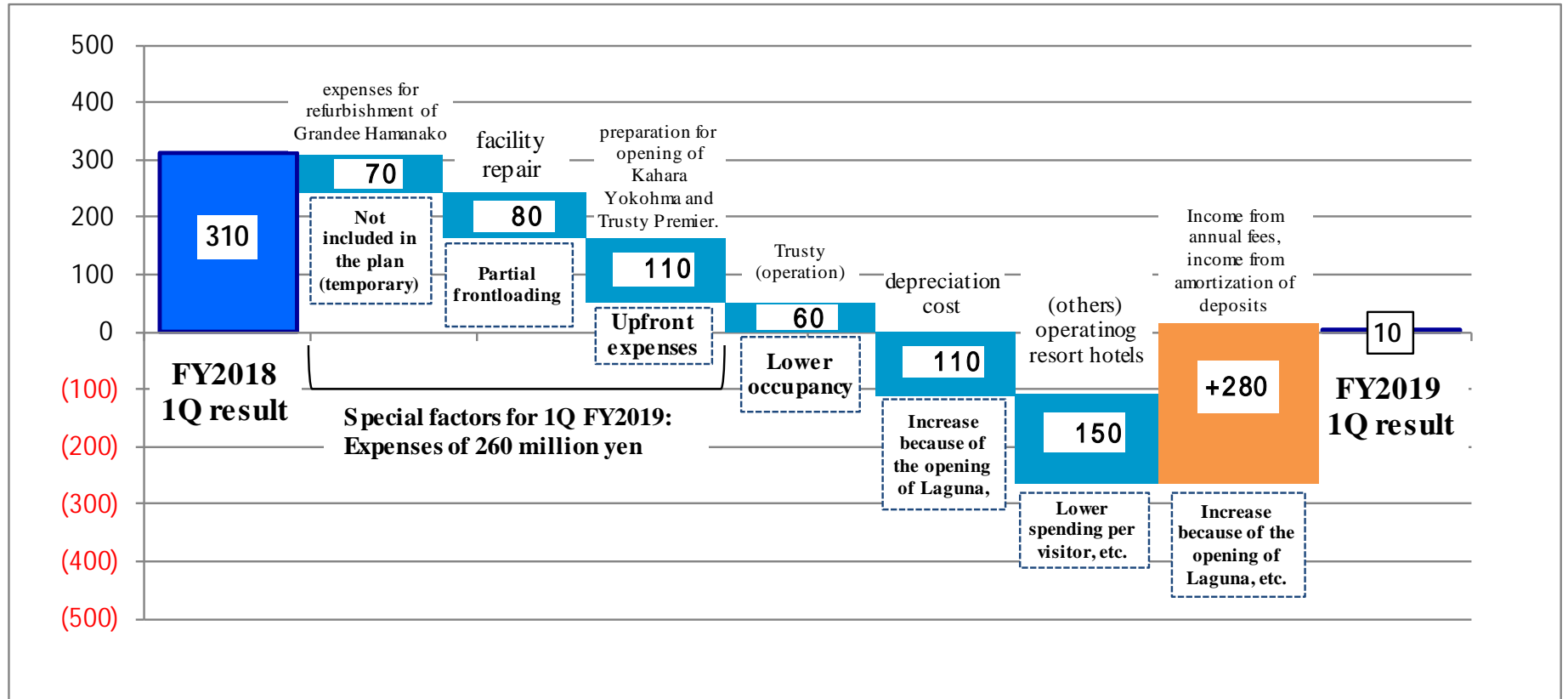
	Baycourt	XIV	Sun Members	Golf	Medical	Cruiser	Total
2019/3	18,255	77,592	32,478	30,260	19,839	391	178,815
2019/6	18,858	77,897	32,221	30,235	20,330	398	179,939
Change April - June 2019	+603	+305	(257)	(25)	+491	+7	+1,124
Change April - June 2018	+677	+321	(194)	(90)	+347	(5)	+1,056

*For cases in which members are in possession of multiple memberships, each of the memberships is counted as one member

Hotel and Restaurant Segment's Operating Income for 1Q FY2019 (compared with the same period of the previous FY)

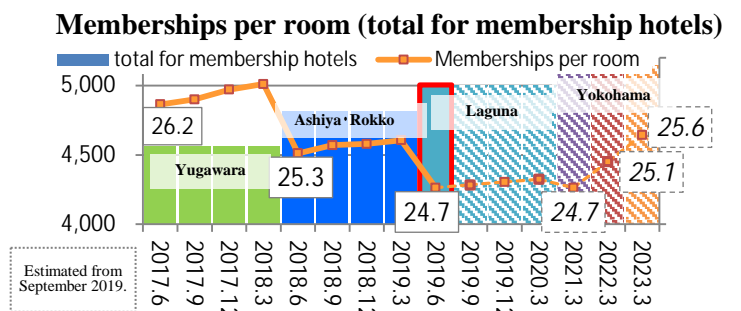
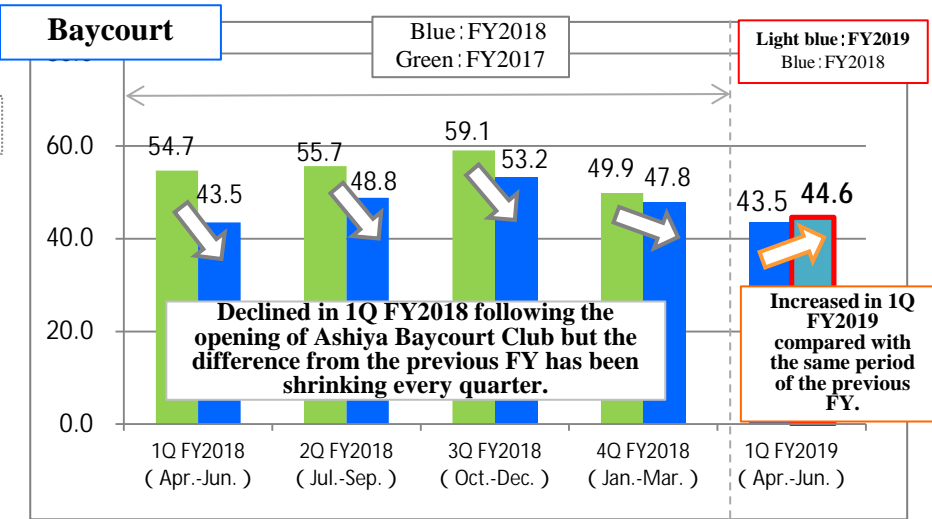
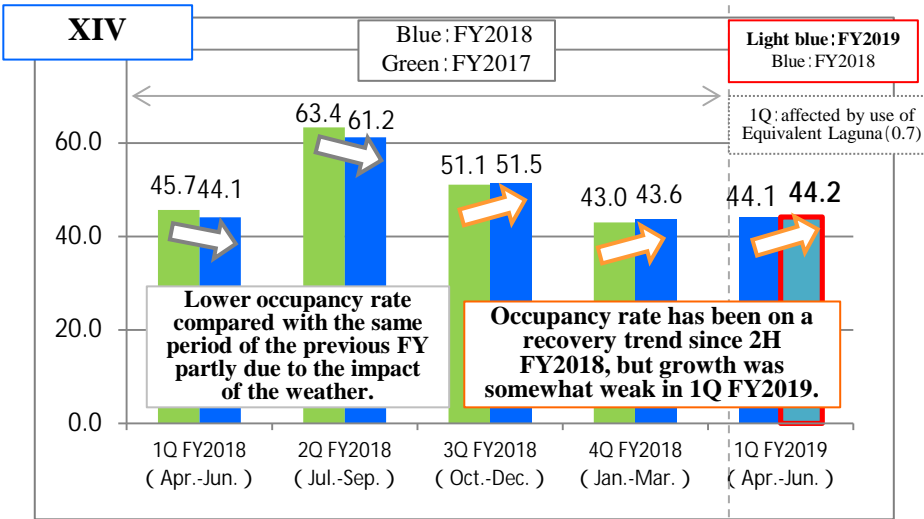
- **Special factors included recording of expenses for refurbishment of Grandee Hamanako, a golf club where Resorttrust Ladies was held, amounting to 70 million yen (not included in the plan) and frontloading of facility repair amounting to 80 million yen. Moreover, upfront expenses for preparation for opening of Trusty Premier hotels, etc. amounted to 110 million yen.**
- **Regarding non-membership hotels, intensifying competition led to a slight decrease in income. For membership resort hotels, lower spending per visitor was among the factors contributing to a decrease in income. We are implementing initiatives to further improve occupancy rates and increase spending per visitor so as to achieve the target for the full year.**

(Million yen)

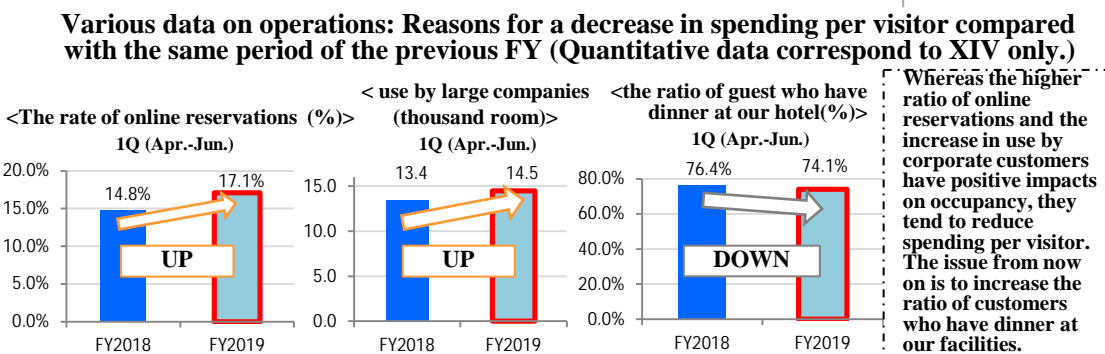


Trends in Hotel occupancy rate by 1Q <YtoY>

•XIV occupancy rate in 1Q FY2019 only slightly exceeded the level of the same period of the previous FY, partly affected by the shift to use of newly opened Laguna Baycourt Club. Baycourt occupancy rate is on an upward trend, compared with the same period of the previous FY, despite a greater denominator because of the opening of Laguna Baycourt Club. (The occupancy rate is unsatisfactory compared with the plan and various initiatives are being implemented to remedy the situation.)



Although the number of hotel memberships is increasing year by year, the number of memberships per room tends to decrease after the opening of a large facility and the occupancy rate tends to decline even if the average number of stays is the same as the previous year. (In 1Q FY2019, the average number of stays increased and the occupancy rate compared with the same period of the previous FY increased slightly.)



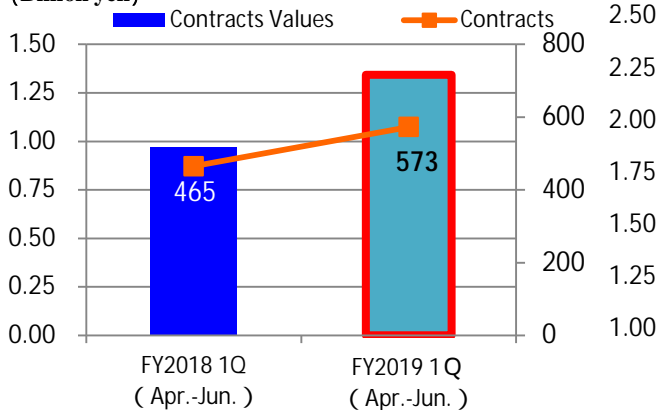
- The ratio of online reservations increased, continuing from 2H FY2018. (RTG Point Club had 38,291 members as of June 30, 2019. *Excluding general memberships)
- The number of stays by corporate customers (use by employees of large companies) increased, continuing from 2H FY2018 (108% compared with the same period of the previous FY).
- Reservation for dinner has been changed to a flexible system. Previously, two patterns (17:00 or 20:00) were available. Now, customers can select the start time in 15-minute increments (→Contribution to customer satisfaction). Moreover, offering of attractively priced set menus has started at certain facilities.

Whereas the higher ratio of online reservations and the increase in use by corporate customers have positive impacts on occupancy, they tend to reduce spending per visitor. The issue from now on is to increase the ratio of customers who have dinner at our facilities.

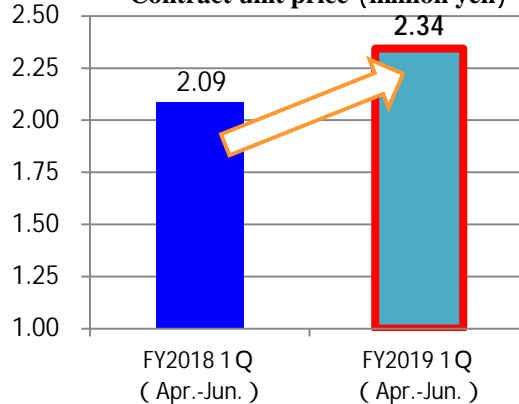
HIMEDIC membership progress of sales and Senior lifestyle business schedule

- Contract values of HIMEDIC memberships in 1Q FY2019 increased because of continued increases in the unit price and the number of contracts.
- For the Senior Lifestyle Business whose net sales fell short of the target due to delay in achieving target occupancy rates, countermeasures were implemented. Six facilities scheduled to start operation from 2Q onward.

HIMEDIC sales result of 1Q FY2019 <YtoY> (Billion yen)

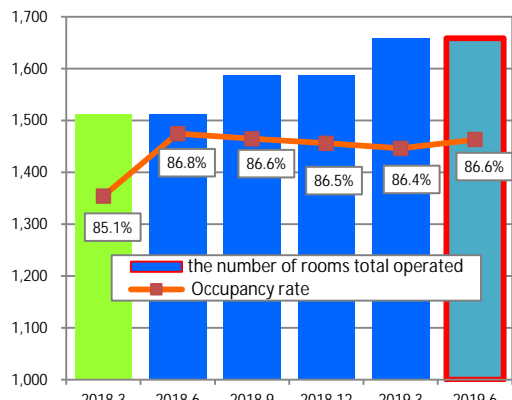


Contract unit price (million yen)



Existing membership		
	New member	Existing HIMEDIC member (2 or more)
Price	2.25 million yen	1.75 million yen
Annual fee	500,000 yen	
Commencement of new products on October 2018.		
New line 'GRAND HIMEDIC CLUB Premium' (Excluding tax)		
	New member	Existing HIMEDIC member (2 or more)
Price	3 million yen	2 million yen
Annual fee	Monthly fee 46,000yen / month	'552,000yen/year'

Senior Lifestyle Business: Initiatives for increasing the occupancy rate ♦Started to operate August, 2019



- The occupancy rate has been virtually flat since September 2018 partly because of an increase in the number of rooms and a temporary increase in the number of rooms vacated at certain existing facilities.
- In regard to the total supply of rooms in the Tokyo (Setagaya-ku) market, the number of persons requiring support and persons requiring long-term care per room is trending downward partly owing to the opening of other companies' facilities. Competition is intensifying in certain areas as the perception of a supply shortage diminishes.

• **Trust Garden Oguikubo**
 Location: Suginami ward, Tokyo
 Number of rooms: 51 room
 (Private Nursing Home)



♦ Scheduled to Start to operate 5 facilities, total 390 room (September, 2019)

- **Felio Tamagawa** 70 room (Private Nursing Home) Ota ward, Tokyo
- **Felio Seijo** 65 room (Private Nursing Home) Setagaya ward, Tokyo
- **Felio Tenjin** 95 room (Private Nursing Home) Chuo ward, Fukuoka
- **Felio Momochi** 98 room (Private Nursing Home) Sawara ward, Fukuoka
- **Resius Momochi** 62 room (Residential-type Private Nursing Home) Sawara ward, Fukuoka



- We intend to implement measures corresponding to the circumstances of facilities, such as strengthening in terms of operation and services and partial refurbishment.
- In addition to strengthening the structure by increasing the number of sales personnel within facilities, some sales personnel was transferred from the membership sales department and exclusively assigned to facilities for the elderly (in August). ... **Strengthening of Group synergy**

At present, about 20% of the Group's membership holders are interested in facilities for the elderly (according to the result of a questionnaire survey)
 → **Potential demand amounting to 30,000 people within the Group**

Initiatives and Summary by Segment

FY2018 (first year of “Connect 50”)

FY2019 (second year of “Connect 50”)

Member
ship

<Target for contact value achieved, productivity per hour improved>

- +2% YoY in productivity per hour
- *Increased from FY2017 when there was a positive impact of starting sales of new facility memberships
- Increase in the number of contracts concluded through referrals for occupancy of facilities for the elderly Synergy effect

<Increase of contract value>

- Revision of prices of Laguna
- Consideration of new products for existing buildings
- Target +10% YoY in productivity per hour by digitalization

Hotel and
Restaurant

<Implementation of initiatives to enhance occupancy rate>

- Online reservations, introduction of the app (from October 2018)
- Change in the operating structure, revitalization of utilization by large-scale corporate customers, etc.
XIV occupancy rate increased in the second half compared with the same period of FY2017

<Enhancement of efficiency and productivity>

- Operational improvement, enhancement of efficiency
- Reorganization
- Multitasking
- Digital innovation, etc. Annual total working hours reduced by 720,000 hours

<Enhancement of occupancy rate>

- Point app (from April 2019), spread of online reservation
- Enhancement of customer satisfaction by enhancing owner benefits
- Approach to corporate customers’ utilization in view of the enforcement of a rule to take paid holidays compulsorily

<Work style reform and improvement of profitability>

- Enhancement of productivity (annual reduction of 80 hours per shift)
- Increase of fixed income, etc.

<Launch of the Hotel Trusty Premier brand>

(Nihonbashi in September, Kumamoto in October)

Medical

<Smooth transfer to sales of the new product> (Sales started in October 17)

- +18% YoY in HIMEDIC contracted value in the second half

<Expansion of HIMEDIC-exclusive sales bases>

- Expansion of Kyoto base
- 24 cases of sales of hotel memberships through referrals by HIMEDIC sales reps Synergy effect

<Expansion of profit of Senior-life Business and Medical Service Corporation Business >

- Of 30 rooms occupied upon opening of Trust Grace Shirakabe in March 2019, Group members accounted for 70% of the occupancy. Synergy effect

<Expansion of HIMEDIC membership sales> Plan:+15% YoY in contract value

- Membership sales of a new base in Nihonbashi area scheduled in the second half
- Enrichment of service by introduction of the HIMEDIC app
- Expansion of sales by inbound businesses and through tie-ups

<Senior Lifestyle Business: Increase of the number of facilities and enhancement of the occupancy rate>

- Smooth operation of facilities opened/acquired (+6 facilities)
- Increase in the occupancy rate of existing facilities
- Consideration of new facilities (Medium-term management plan target: 3,000 rooms)

<BNCT Business>

Delivery of research equipment and start of clinical trial (scheduled)

Head Office

<Establishment of the foundation for work style reform>

- Increase in the number of holidays per year (from 105 days to 110 days)
- Enhancement in the efficiency of RPA, etc.
- Reform of the structure of the organizations for IT promotion and HR strategy

<Digital marketing> •Related contract value amounted to 600 million yen.

<Promotion of digitalization and work style reform >

- Increase in the number of holidays per year (from 110 days to 120 days)
- Thorough utilization of IT and digital infrastructure, and evaluation of investment impact
- Examination and review of the costs of head office and indirect operations

Consolidated Targets

(Million yen)

	FY2018 results	FY2019 targets	Change
Net sales	179,542	171,400	Δ 8,142
Operating income	18,877	16,000	Δ 2,877
Ordinary income	19,528	16,000	Δ 3,528
Net income	12,358	10,000	2,358
Net income per share (yen)	115.53	93.43	
Annual Cash dividend (yen)	46.00	46.00	
			(Billion yen)
Contract Values of Membership	57.2	59.9	2.7

<Operating Income by Segment (before allocation)>

(Million yen)

		FY2018 results	FY2019 targets	Change
Membership	Sales	64,029	39,140	(24,889)
	Operating income	19,004	13,980	(5,024)
Hotel and Restaurant	Sales	80,383	90,630	+10,246
	Operating income	2,624	3,160	+535
Medical	Sales	34,478	41,020	+6,541
	Operating income	6,144	6,760	+615
Other	Sales	651	610	(41)
	Operating income	572	590	+17
head office costs	Operating income	(9,468)	(8,490)	+978
Total	Sales	179,542	171,400	(8,142)
	Operating income	18,877	16,000	(2,877)

<Net Sales>

- Difference in deferred realization
< In the previous FY: Rokko/Laguna In this FY: Nothing >
- A full-year contribution from operation of Laguna Baycourt Club(2019.3)
- Increase in Opening two Hotel Trusty Premiers (Nihonbashi/Kumamoto)
- Increase in Existing Hotel operation etc.
- Increase in Income from annual fees and amortization of deposits (Hotel / HIMEDIC)
- Expansion of Senior lifestyle business (Increased facilities)
- Expansion of Medical Service corporation Business & Aging Care Business
- Revenue on BNCT equipment

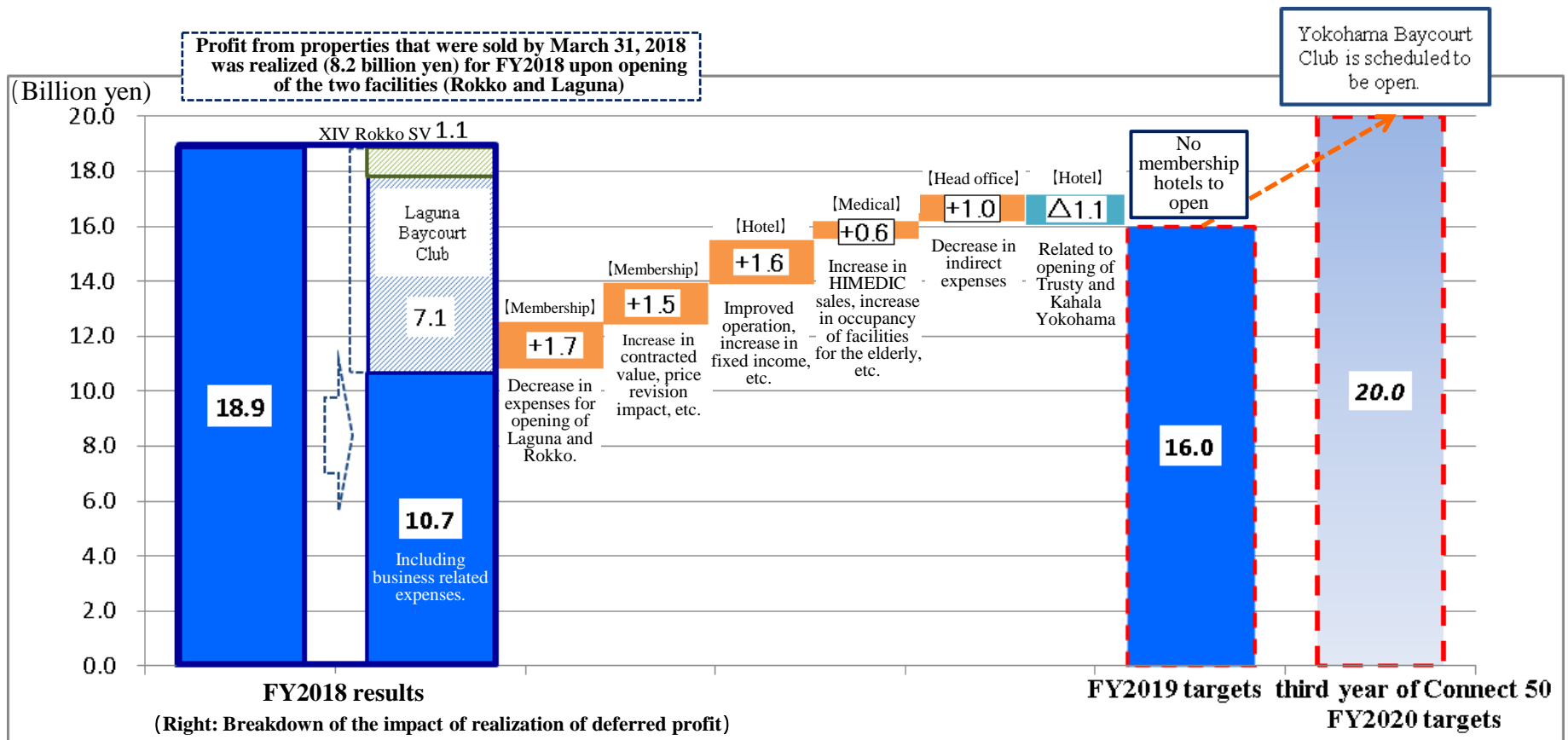
<Operating Income>

- Difference in deferred realization
< In the previous FY: Rokko/Laguna In this FY: Nothing >
- Increase due to a decrease in start-up costs associated with opening a new facility
- Increase in contract values of hotel membership & HIMEDIC membership
- Increase in Income from annual fees and amortization of deposits (Hotel / HIMEDIC)
- Decrease due to opening expenses associated with opening of Hotel Trusty Premier (Nihonbashi / Kumamoto) and preparation expenses for opening of Yokohama Baycourt & Kahala (around summer 2020)
- Expansion of Medical Service corporation Business & Aging Care Business
- Expansion of Senior lifestyle business (Increased facilities)

FY2019 plan: Operating income (impact of deferred accounting)

Although the FY2019 plan calls for a 2.9 billion yen decrease in operating income (from 18.9 billion yen in FY2018 to 16.0 billion yen in FY2019), it also calls for a significant increase in operating income, excluding the special factor of the recording of a profit realized upon opening of Rokko and Laguna.

<Positive factors: Higher contract values, higher annual membership fees, higher occupancy rates at hotels, etc. Negative factors: Increase in expenses associated with the opening of Hotel Trusty-brand facilities, etc.>



*For hotel membership of property before completion of construction, Sales or Cost of the real estate will be deferred until the Hotel opens. For details, please refer to p. 30.

Consolidated Balance Sheets



(Million yen)

	2019/3	2019/6	Change		2019/3	2019/6	Change
Total current assets	135,754	136,768	+1,014	Total current liabilities	70,764	76,011	+5,247
Cash and deposits	26,742	29,033	+2,291	Notes and accounts payable-trade	1,471	1,241	(230)
Notes and accounts receivable-trade	8,891	8,421	(469)	Short-term loans payable	6,839	16,307	+9,467
Operating loans	46,623	47,626	+1,003	Current portion of bonds	250	250	-
Short-term investment securities	4,647	4,224	(422)	Accounts payable-other and accrued expenses	33,495	23,192	(10,303)
Merchandise, raw materials and supplies	2,511	2,510	(0)	Advance received	12,209	13,857	+1,648
Real estate for sale	30,049	27,091	(2,958)	Other	16,497	21,163	+4,665
Real estate for sale in process	11,845	12,035	+189	Total noncurrent liabilities	198,611	194,084	(4,526)
Other	4,442	5,824	+1,382	Bonds payable and long-term loans payable	39,573	39,163	(410)
Total noncurrent assets	265,671	264,326	(1,344)	Long-term guarantee deposited	101,595	97,682	(3,913)
Property, plant and equipment, net	180,001	179,566	(435)	Bonds with subscription rights to shares	29,813	29,802	(10)
Intangible assets	11,806	11,566	(240)	Other	27,628	27,436	(191)
Investments and other assets	73,862	73,194	(668)	Total liabilities	269,375	270,096	+720
				Net Assets	132,050	130,998	(1,051)
				Shareholders' equity	127,927	126,927	(999)
				Treasury shares	(1,852)	(1,844)	+7
				Accumulated Other Comprehensive Income	1,355	1,316	(39)
				Subscription rights to shares	292	308	+15
				Non-controlling interests	4,326	4,291	(35)
Total assets	401,426	401,095	(330)	Total liabilities and net assets	401,426	401,095	(330)

Consolidated Cash Flows FY2019

(April to June)



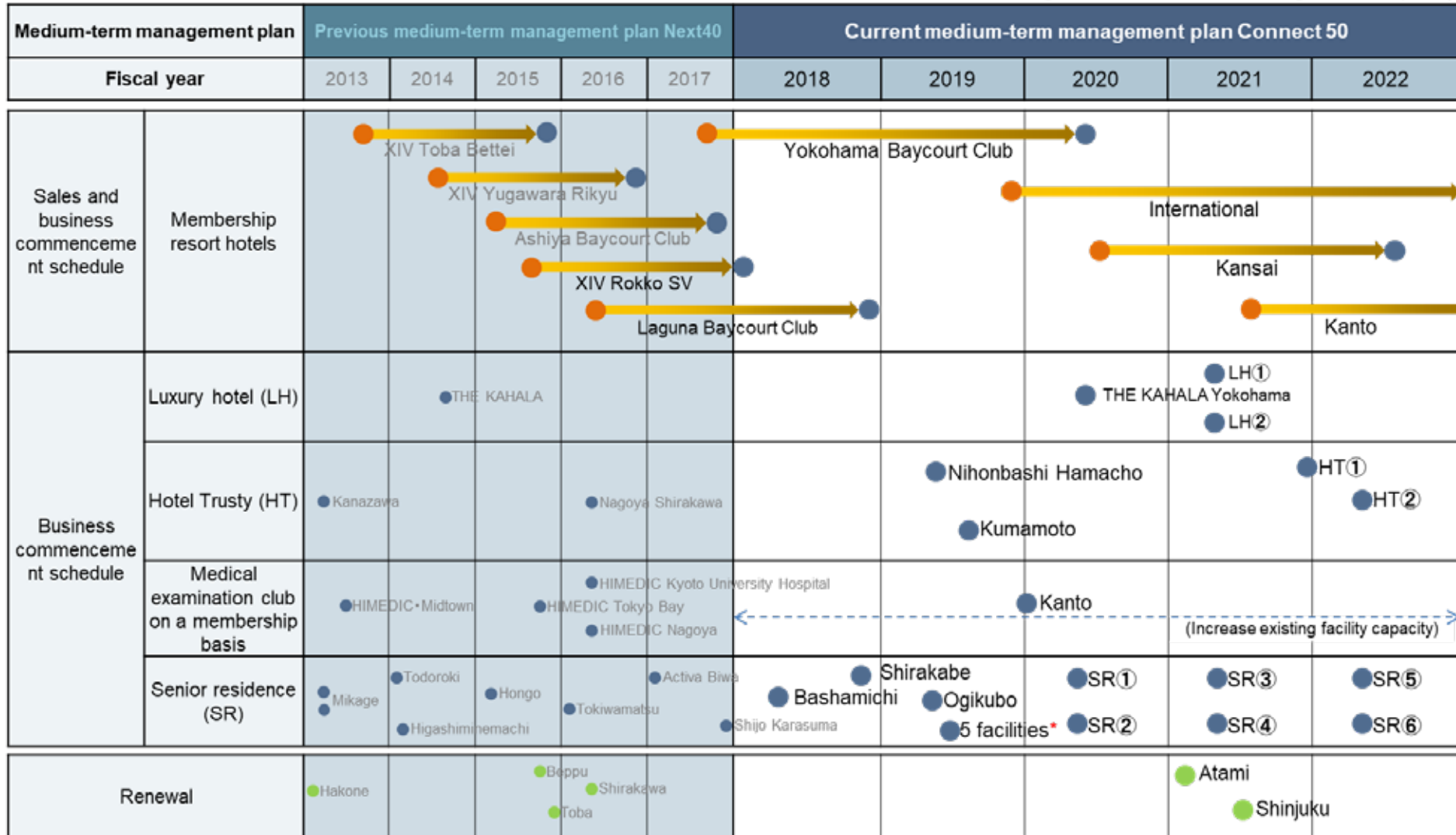
(Million yen)

	2018/6	2019/6
Cash flows from operating activities	(8,347)	(1,742)
Cash flows from investing activities	3,614	(1,055)
Cash flows from financing activities	(5,946)	8,120
Effect of exchange rate changes on cash and cash equivalents	(7)	(0)
Net increase (decrease) in cash and cash equivalents	(10,687)	5,321
Cash and cash equivalents at end of period	21,781	29,216

Group's Development Schedule

<Sales and business commencement schedule August 8, 2019>

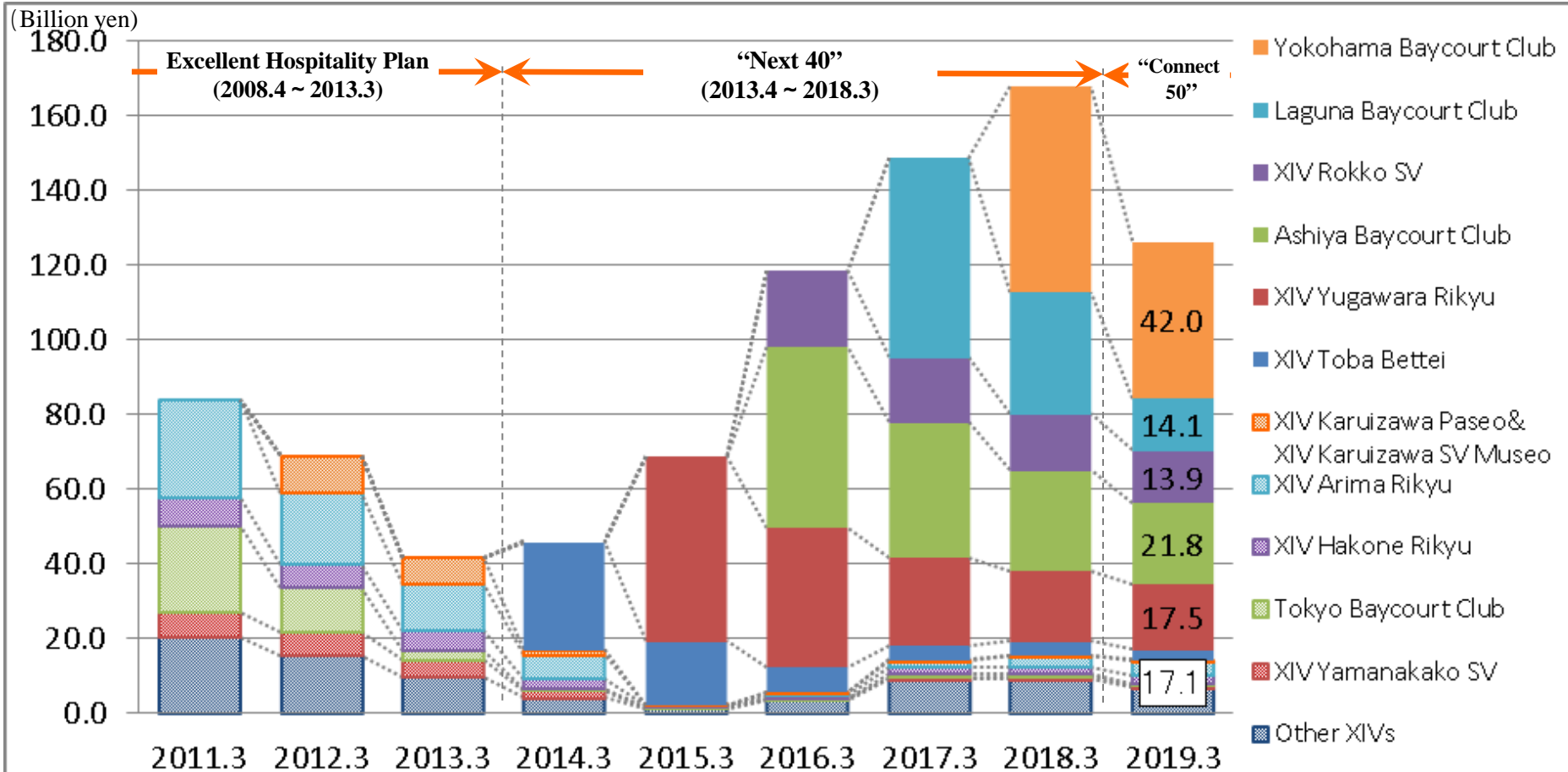
- Commencement of business and acquisition
- Commencement of sales
- Renewal opening



* Private Nursing Home "Felio Tamagawa" "Felio Seijyo" "Felio Tenjin" "Felio Momochi" & "Resius Momochi"

Trend of sales inventories (contract value basis as of the end of the fiscal year)

- During the period of the before the last medium-term management plan (April 2008 to March 2013) when the Group postponed development in view of the collapse of Lehman Brothers and the impact of the earthquake, inventories shrank.
- During the period of the previous medium-term management plan (April 2013 to March 2018), inventories temporarily increased to over 160 billion yen as the Group accelerated development and sales in response to the accumulated demand.
- Following the launch of the current medium-term management plan, the Group has abundant sales inventories exceeding 125 billion yen on a contract value basis, although no new projects are scheduled for sale in the plan's second year.



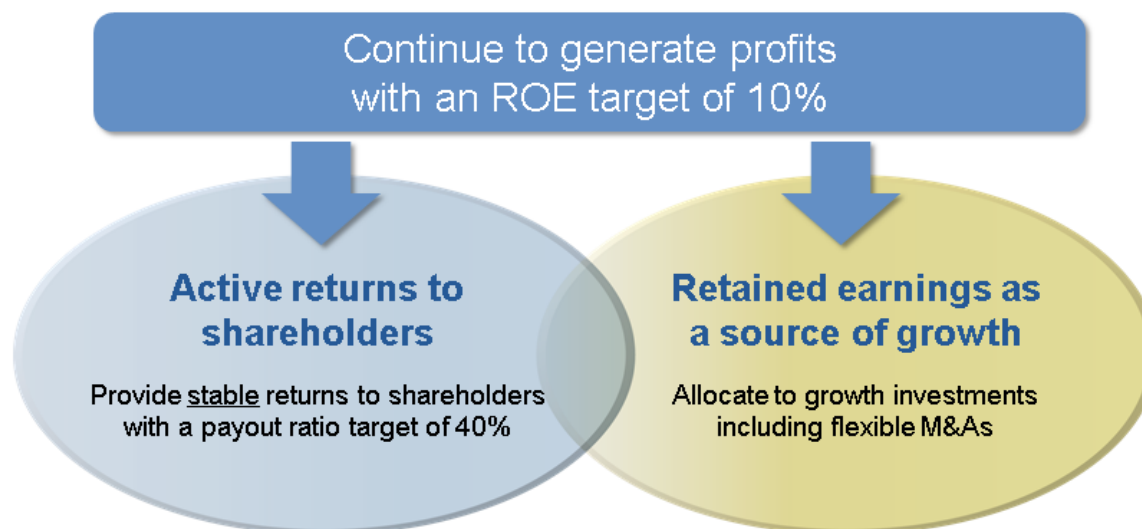
*Acquired development site: Kinugawa, Chiba(Suzumejima · Hota), Karuizawa, Hakonegora, Atamiizusan, Hamanako, Takashima.(March, 2019)

Quantitative plan (consolidated)

Medium-term Management Plan “Connect 50”

(Billions of yen)	FY2017 (Final year of Next40)	FY2020 (Third year of Connect 50)	FY2022 (Final year of Connect 50)
Net sales	165.4	195.0	210.0
Operating income	17.7	20.0	24.0
Ordinary income	19.4	20.0	24.0
Net income attributable to owners of parent	11.8	13.5	16.0

FY2022 projected segment overview	Membership operations: Maintain earnings despite a decrease in the amount of deferred revenue and earnings realized at the time of facility opening	Medical operations: Achieve segment operating income of ¥10 billion
	Hotel and restaurant operations: Achieve net sales of ¥100 billion and target operating income to net sales of 8%	Head office expenses: Target around 4-5% of consolidated net sales



Summary by Segment

Medium-term Management Plan “Connect 50”

Membership operations



Create new opportunities by commencing sales of international memberships

Establish a sustainable membership business model

- ◎ Increase the number of memberships sold; improve productivity per hour
 - No. of contracts in FY2022: 5,500 (up 40% compared with FY2017)
 - Productivity per hour in FY2022: ¥51,000 (up 20% compared with FY2017)
 - Kanto Branch contracts in FY2022: 52% (up 7 percentage points compared with FY2017)
- ◎ <International memberships> Sales scheduled to commence from FY2019

Hotel and restaurant operations



Dramatically increase productivity and profitability

Develop THE KAHALA brand on a global basis and expand operations targeting general consumers (business and luxury)

- ◎ XIV + Baycourt Club total occupancy
 - FY2022: 55.5% (up 4.0 percentage points compared with FY2017)
- ◎ Forecast increase in annual fees + amortization of security deposits
 - FY2022: Up ¥3.0 billion to ¥3.5 billion compared with FY2017
- ◎ Hotel Trusty expansion
 - FY2022: Expand to 12 facilities (up four facilities compared with FY2017)
 - FY2022: Exceed ¥10 billion in sales (up 60% compared with FY2017)

Medical operations



Image courtesy of GE Healthcare Japan

Create synergies with advanced medical treatment and become Japan's leading comprehensive medical solutions group

Target the top position in the senior high-grade market

- ◎ HIMEDIC business and Medical Service Corporation business
 - Number of annual HIMEDIC membership sales: 2,360 (use of existing and new facilities)
 - Number of general consumers undergoing medical examinations in FY2022: 700,000 (up 40% compared with FY2017)
- ◎ Aging care business (product sales)
 - Number of customers in FY2022: 500,000 (up 200% compared with FY2017)
- ◎ Senior Lifestyle business
 - Work toward 3,000 rooms, target increases in net sales and operating income of 1.6 and approximately 3 times, respectively (compared with FY2017)

FY2019 Hotel Trusty Premier is to be opened

- Two hotels under the “Hotel Trusty Premier” brand will open in autumn 2019, resulting in a total of 10 facilities with 1,948 rooms, including the existing “Hotel Trusty” facilities.
- By creating points of contact with customers in a new area to the Group, “Trusty” as a whole expects sales of 8.1 billion yen in FY2019.

「Hotel Trusty Premier Nihonbashi Hamacho」



【Exterior】



【Deluxe twin room】



【Coffee lounge】



Overview

Opening Schedule : September 12
 Total number of guest rooms : 223
 Supplemental facilities :
 Coffee lounge, teppanyaki restaurant, bakery, private room

「Hotel Trusty Premier Kumamoto」



【Exterior】

Kumamoto Sakuramachi
 Redevelopment Project



【Suite room】



Overview

Opening Schedule : October 9
 Total number of guest rooms : 205
 Supplemental facilities :
 Coffee restaurant, teppanyaki restaurant, private room

Initiatives to strengthen and entrench the Group brand

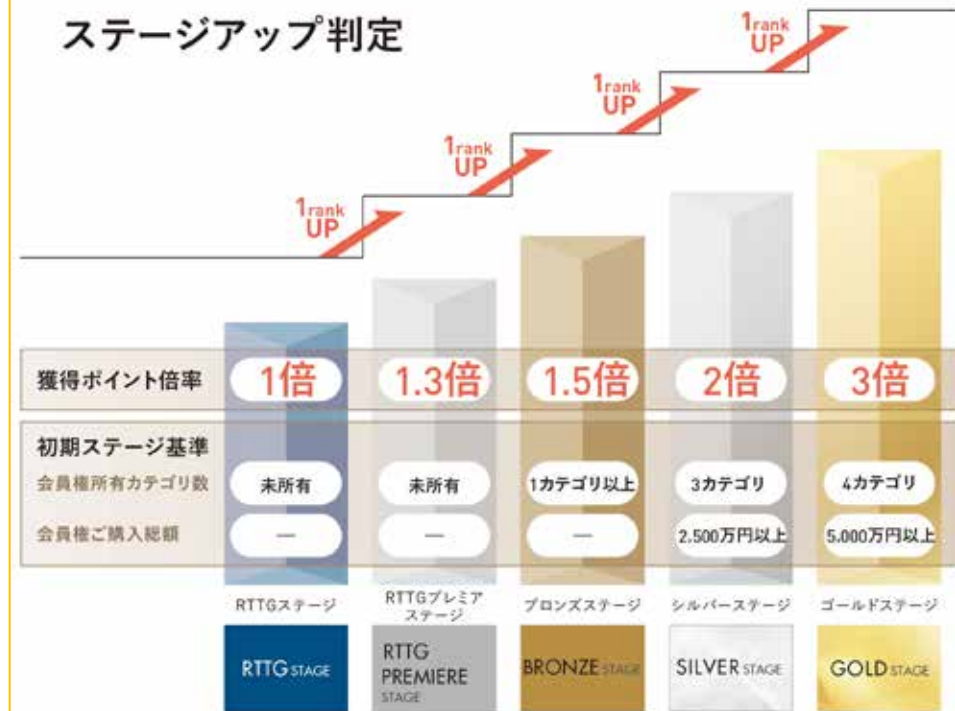
“RTTG Point Club” was launched in April 2019 as part of initiatives to strengthen and entrench the Group brand under the Medium-term Management Plan “Connect 50”.

In addition to this measure, we will enhance the points of contact with customers to take initiatives with an aim to become a distinguished corporate group with its unique Group brand by fostering close membership ties that last for a lifetime, going beyond creation of value across individual businesses and product brands.

ポイント獲得／利用対象



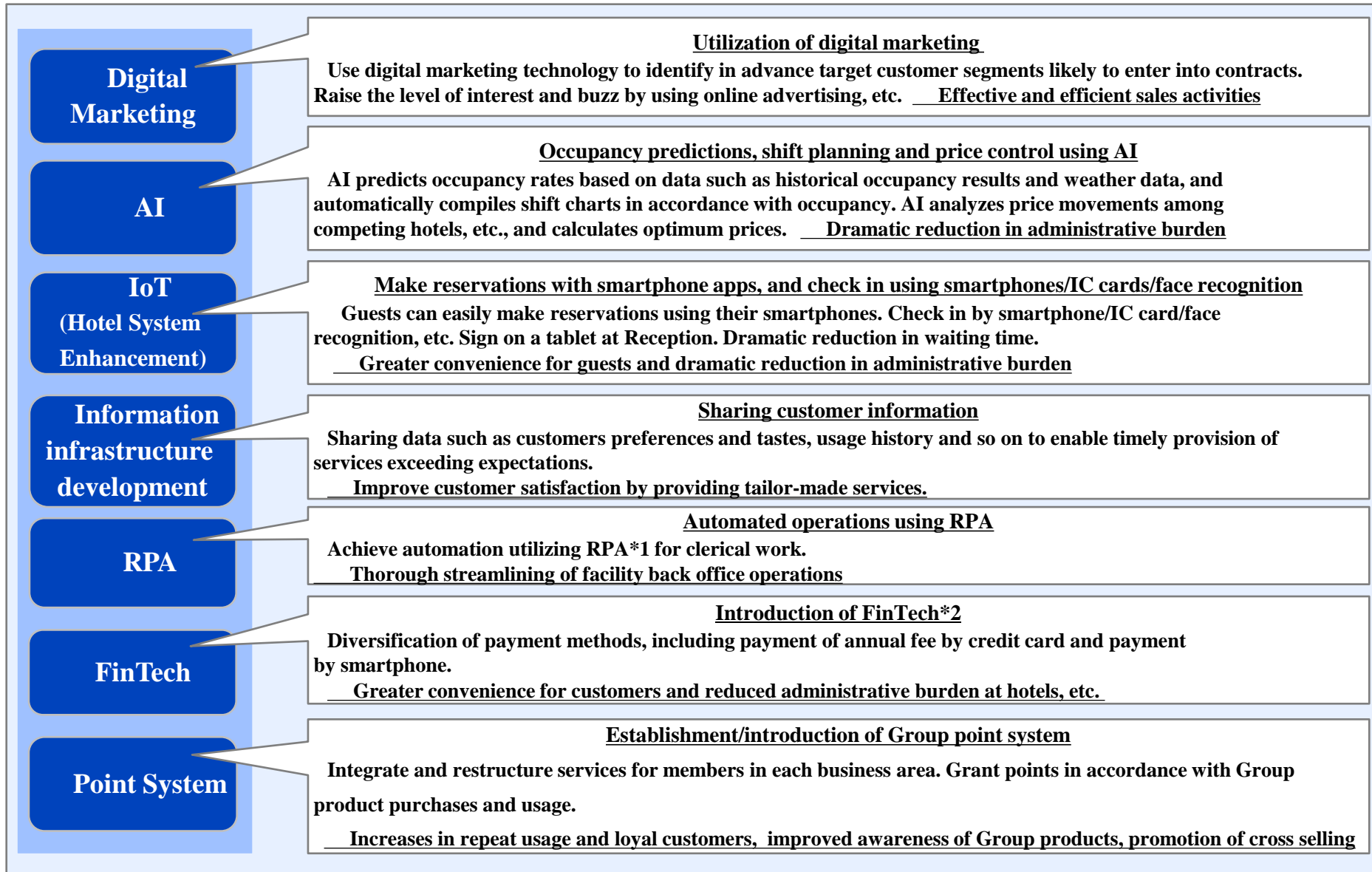
ステージアップ判定



- Acquisition and use of points for the Group’s various services are available
- Making it suitable for a wide range of scenes of use by promoting registration of family members, which is also beneficial to owners

- To encourage use of the Group’s multiple services, stages are set according to the membership purchase amount and the amount spent throughout the RTTG Group.

Overall Picture of Digital Reforms



*1 RPA (Robotic Process Automation)...Technology to replace and automate operations carried out by employees with robots (installation of software in PCs).

*2 FinTech (Financial Technology)...Creating and reviewing financial services utilizing Information Technology.

<Reference>

- (1) Group point system “RTTG Point Club” was started to operate. (April, 2019)**
- (2) It was resolved to discontinue the “Measures Against Large-scale Purchases of Company Shares” at the conclusion of the 46th Annual General Meeting of Shareholders. (June 27, 2019)**
- (3) Held of the Resorttrust Ladies golf championship was held at Grandee Hamanako Golf Club. (from May 31 to June 2, 2019)**
- (4) The Dunlop Srixon Fukushima Open was held at Grandee Nasu Shirakawa Golf Club’s course for consecutive years. (from June 27 to June 30, 2019)**
- (5) Opening a Private Nursing Home “Trust Garden Ogikubo” (August 1, 2019)**
- (6) Trust Garden Co., Ltd., a company in the Group, has acquired shares of Senior Life Company Ltd. from LIXIL Corporation and will start operation of five facilities (390 rooms) owned by Senior Life Company Ltd. (September 2, 2019)**
- (7) “Hotel Trusty Premier Nihonbashi Hamacho” is scheduled to be opened. (September 12, 2019)**
- (8) “Hotel Trusty Premier Kumamoto” is scheduled to be opened. (October 9, 2019)**

Contract Values of Membership 1Q FY2019 (April to June)

(Billion yen)

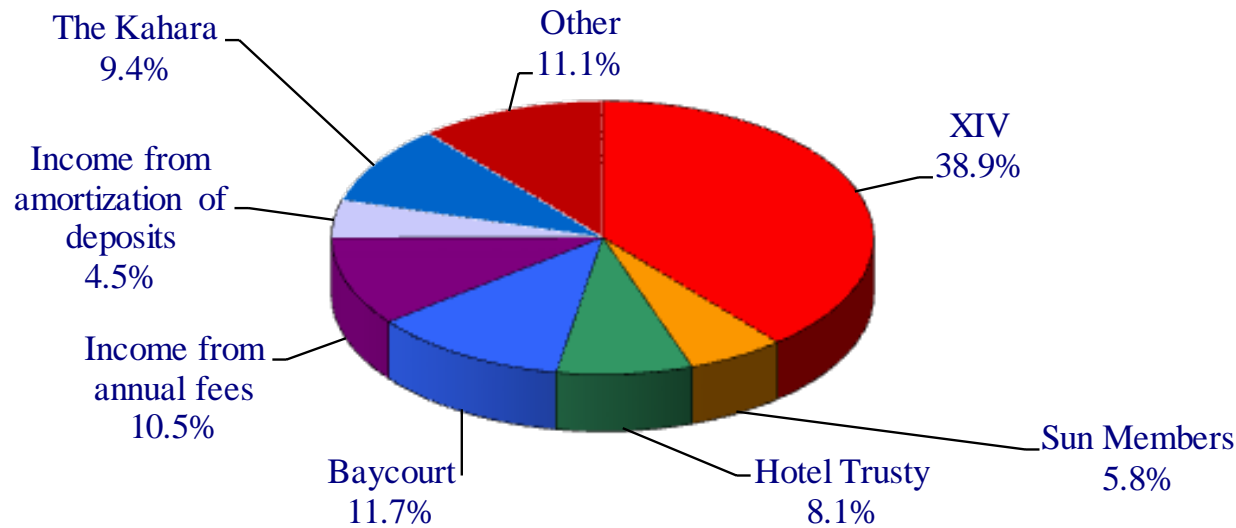
	2019/6 results	2019/6 targets	Difference	2018/6 results	YoY Change	2019/6 Progress rate of contract (cumulative)	2020/3 targets
Yokohama Baycourt Club	3.4	3.5	(0.1)	3.1	+0.3	38.0%	14.4
Laguna Baycourt Club	4.1	3.3	+0.7	4.8	(0.7)	87.7%	13.7
XIV Rokko SV	0.3	0.5	(0.2)	0.4	(0.1)	46.5%	2.0
Ashiya Baycourt Club	2.2	1.9	+0.3	1.8	+0.3	78.3%	7.9
XIV Yugawara Rikyu	0.6	0.9	(0.3)	0.5	+0.2	74.4%	3.5
Other Hotels	3.0	3.0	+0.0	2.8	+0.2	-	12.1
Hotel Membership Total	13.6	13.1	+0.5	13.4	+0.2	-	53.6
Golf	0.1	0.0	+0.0	0.1	+0.0	-	0.2
HIMEDIC	1.3	1.4	(0.0)	1.0	+0.4	-	6.1
Total	15.0	14.6	+0.5	14.4	+0.6	-	59.9

Sales of Membership Segment 1Q FY2019

(April to June)

(Billion yen)

		2019/6 results	2019/6 targets	Difference	2018/6 results	YoY Change	2020/3 targets
Yokohama Baycourt Club		3.1	3.2	(0.1)	2.8	+0.3	13.0
Laguna Baycourt Club		3.7	3.1	+0.7	4.4	(0.7)	12.5
XIV Rokko SV		0.2	0.4	(0.2)	0.3	(0.1)	1.8
Ashiya Baycourt Club		2.0	1.7	+0.2	1.6	+0.3	7.2
XIV Yugawara Rikyu		0.5	0.8	(0.3)	0.4	+0.1	3.2
Other Hotels		2.4	1.8	+0.6	2.0	+0.3	7.1
Hotel Membership Total		11.9	11.0	+0.9	11.7	+0.3	44.9
Deferred Sales	Yokohama Baycourt Club	(1.7)	(1.7)	+0.0	(1.5)	(0.2)	(6.9)
	Laguna Baycourt Club	-	-	-	(2.4)	+2.4	-
	XIV Rokko SV	-	-	-	4.7	(4.7)	-
All Hotels		10.2	9.3	+0.9	12.4	(2.1)	38.0
Other		0.2	0.2	(0.0)	0.1	+0.1	1.1
Membership Operations Total		10.4	9.5	+0.9	12.4	(2.0)	39.1



(Million yen)

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
XIV	7,740	8,645	8,056	37,451
Sun Members	1,151	1,161	1,094	5,002
Hotel Trusty	1,612	1,739	1,672	8,140
Baycourt	2,329	2,618	1,677	11,268
Income from annual fees	2,090	2,071	1,910	8,408
Income from amortization of deposits	893	904	796	3,618
The Kahara	1,880	1,941	1,867	8,174
Other	2,219	2,267	2,197	8,566
Total	19,917	21,350	19,271	90,630

Operations by category 1Q FY2019

(April to June)

Number of overnight visitors

(Thousands)

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
XIV	395	418	393	1,944
Sun Members	101	103	100	435
Hotel Trusty	170	175	171	797
Baycourt	71	84	48	364

<Reference>

(Thousands)

2018/3 results	2019/3 results
1,864	1,839
431	418
696	689
145	217

Occupancy rates

(%)

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
XIV	44.2	46.7	44.1	52.4
Sun Members	60.8	62.7	56.9	64.4
Hotel Trusty	88.7	92.4	90.3	90.7
Baycourt	44.6	51.7	43.5	55.1

(%)

2018/3 results	2019/3 results
50.8	50.2
60.4	60.4
91.7	90.4
54.6	48.3

Spending per visitor

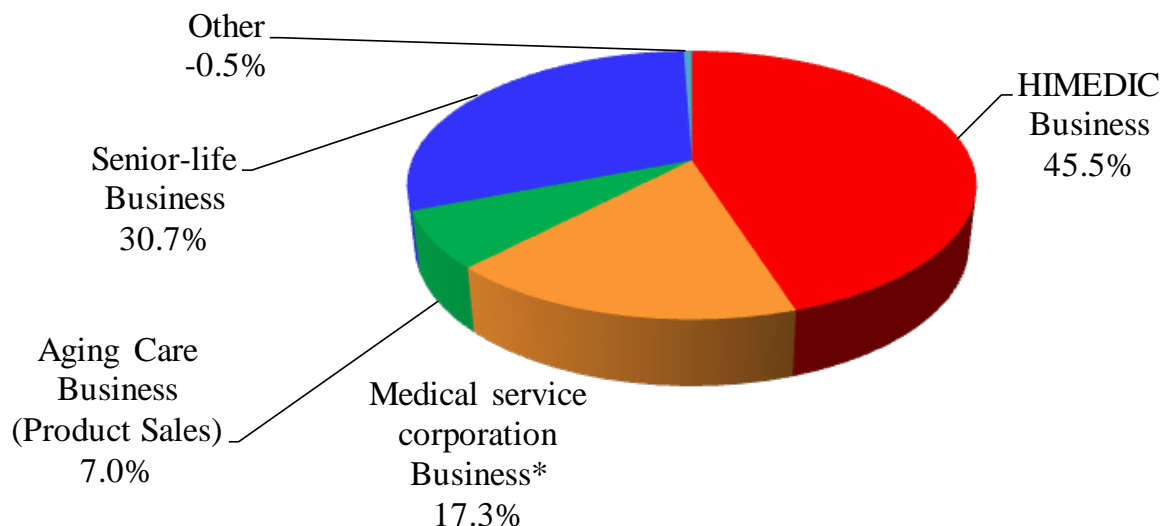
(yen)

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
XIV	19,587	20,649	20,463	19,259
Sun Members	11,375	11,231	10,871	11,482
Hotel Trusty	9,476	9,909	9,776	10,205
Baycourt	32,482	31,027	34,776	30,898

(yen)

2018/3 results	2019/3 results
19,340	18,915
11,139	11,268
9,752	9,612
32,940	32,671

Sales of Medical Segment 1Q FY2019 (April to June)



(Millions yen)

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
HIMEDIC Business	3,982	3,951	3,490	16,731
Medical service corporation Business*	1,516	1,485	1,439	6,211
Aging Care Business(Product Sales)	609	677	680	3,076
Senior-life Business	2,684	2,928	2,435	13,627
Other	(48)	6	(19)	1,373
Total	8,744	9,050	8,025	41,020

Operation support for general medical service business, etc.

< Senior residences and private nursing homes >

	2019/6 results	2019/6 targets	2018/6 results	2020/3 targets
Occupancy rates(%)	86.6	91.2	86.8	94.7
number of rooms	1,659	1,659	1,513	2,100

*Life Assist Bashamichi : Started to operate on July, 2018, Trust Grace Shirakabe : Stated to operate on March, 2019

*Trust Garden Ogikubo Started to operate (August, 2019), Scheduled to Start to operate 5 facilities(total 390 room)(September, 2019)

<Reference> Effects of Deferred Revenue from properties before hotel opening (FY)

Method of recording sales and income from property before hotel opening p30

Registration fee treated as Sales upon signing.

Sales or Cost of the real estate deferred until the Hotel opens

*Discrised "+" is in realized period. And discrised "(" is in unrealized period.

Fiscal year	Results for FY2014 (2015/3)		Results for FY2015 (2016/3)		Results for FY2016 (2017/3)		Results for FY2017 (2018/3)		Results for FY2018 (2019/3)		Targets for FY2019 (2020/3)		
	Contract amount of properties before completion of construction	(XIV Yugawara) 9.2 billion	(XIV Toba Bettei) 11.8 billion	(XIV Rokko SV) 4.5 billion	(Ashiya Baycourt) 30.1 billion	(XIV Yugawara) 12.3 billion	(Laguna Baycourt) 20.0 billion	(XIV Rokko SV) 3.2 billion	(Ashiya Baycourt) 12.5 billion	(Yokohama Baycourt) 7.2 billion	(Laguna Baycourt) 20.8 billion	(XIV Rokko SV) 2.5 billion	(Yokohama Baycourt) 13.0 billion
Deferred sales and income from properties	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	
	Yokohama Baycourt	Value deferred						(3.5)	(1.2)	(6.2)	(2.1)	(6.9)	(2.3)
Laguna Baycourt	Value deferred						(10.2)	(3.2)	(10.4)	(3.4)			
	Value realized										+20.5 *	+7.1	
XIV Rokko SV	Value deferred		(2.1)	(0.4)	(1.4)	(0.3)	(1.1)	(0.2)					
	Value realized										+4.7 *	+1.1	
Ashiya Baycourt	Value deferred		(15.3)	(5.4)	(6.1)	(2.2)							
	Value realized								+21.2 *	+8.2			
XIV Yugawara Rikyu	Value deferred	(4.7)	(1.3)	(5.5)	(1.7)								
	Value realized								+10.2 *	+3.4			
XIV Toba Bettei (From FY 2013)	Value deferred	(6.3)	(1.7)										
	Value realized			+9.8 *	+3.0								
Value affected(Single Year)	(11.0)	(3.0)	(13.2)	(4.6)	(7.5)	(2.3)	+6.2	+3.4	+18.9	+6.1	(6.9)	(2.3)	

* Realized Value (Results) includes the difference between the preliminary cost and the fixed cost

Financial highlights of consolidated results	Results for FY2014 (2015/3)		Results for FY2015 (2016/3)		Results for FY2016 (2017/3)		Results for FY2017 (2018/3)		Results for FY2018 (2019/3)		Targets for FY2019 (2020/3)	
	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income	Sales	Operating income
Disclosed figures (Recorded value)	120.4	16.0	142.2	18.6	143.5	13.5	165.4	17.7	179.5	18.9	171.4	16.0
(For reference) Value excluding effects of deferred values	131.4	19.1	155.4	23.2	151.0	15.8	159.2	14.3	160.7	12.8	178.3	18.3
(For reference) + Excluding effects of extra costs	131.4	19.1	155.4	23.8	151.0	17.0	159.2	16.2	160.7	14.4	178.3	18.5

Effects of Deferred Revenue from properties before hotel opening (1Q)

Method of recording sales and income from property before completion of construction p.30

Registration fee treated as Sales upon signing.

Sales or Cost of the real estate deferred until the Hotel opens

(Billions yen)

*Discribed "+" is in realized period. And discribed "(" is in unrealized period.

Fiscal year		Results for 1Q FY2019 (2019/6)		Targets for 1Q FY2019 (2019/6)		Results for 1Q FY2018 (2018/6)	
Contract amount of properties before completion of construction		Yokohama	3.4 billion	Yokohama	3.5 billion	Yokohama	3.1 billion
						Laguna	4.8 billion
Deferred sales and income from properties		Sales	Income	Sales	Income	Sales	Income
Yokohama Baycourt	Value deferred	(1.6)	(0.5)	(1.7)	(0.5)	(1.5)	(0.5)
Laguna Baycourt		-	-	-	-	(2.4)	(0.8)
Sub Total		(1.6)	(0.5)	(1.7)	(0.5)	(3.9)	(1.3)

XIV Rokko SV (opened on April 2018)	Value realized	-	-	-	-	+4.7	+1.1
Sub Total						+4.7	* +0.9
* including expenses for opening		-	-	-	-	+4.7	* +0.9

* (0.2) Decrease in expenses for opening of XIV Rokko SV.

Total		(1.6)	(0.5)	(1.7)	(0.5)	+0.8	(0.4)
* including expenses for opening							

<Reference>

Income and Accounting for a Core XIV Facility (Before completion of construction)

	Contract	Framework	Completion of Construction	
Total payment (100%)	60% of sale price received	80% of sale price received	100% of sale price received	
Security deposit (10%)	Member pays deposit upon signing contract			Liability incurred when contract signed*2
Registration fee (40%)	Member pays registration fee upon signing contract			Sale recorded when contract signed
Real estate cost (50%)	Member pays 10% of total payment upon signing contract	Member pays 20% of total at framework raising	Member pays 20% of total upon completion	Sale recorded when facility opens

*2 After facility opens, sale is amortized.

Example: Membership price of 10 million yen

	Contract	Framework	Completion of Construction	At Opening	Earnings Recorded
Security deposit: 1 million yen	1 million yen				Balance-sheet liability recorded *2
Registration fee: 4 million yen	4 million yen				Sale recorded (when contract signed)
Real estate: 5 million yen	1 million yen*1	2 million yen*1	2 million yen*1		Sale recorded (when facility opens)
Total contract amount: 10 million yen	6 million yen	2 million yen	2 million yen		
Sale amount recorded	4 million yen	-	-	5 million yen*1	
				Cost of Sales 3.5 million yen	
				Annual fee: 0.13 million yen	

*1 The real estate cost is deferred until the facility opens and is treated as revenue after the facility opens.
*2 After facility opens, sale is amortized.



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