



# Financial results Presentation

## For the 9-month Period Ended December 31, 2020



“Yokohama Baycourt Club Hotel & Spa Resort” “THE KAHALA HOTEL & RESORT YOKOHAMA” opened on September 23, 2020

**Resorttrust, Inc. (Securities code 4681)**

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# Financial Highlights 3Q FY2020

(April to December)



(Million yen)

	2020/12 (results)	2019/12 (results)	YoY Difference
<b>Net Sales</b>	<b>130,572</b>	<b>123,339</b>	+5.9%
<b>Operating Income</b>	<b>15,350</b>	<b>11,035</b>	+39.1%
<b>Ordinary Income</b>	<b>17,320</b>	<b>11,500</b>	+50.6%
<b>Net Income</b>	<b>9,669</b>	<b>7,104</b>	+36.1%

## <YoY Difference>

After the state of emergency was declared in April 2020 due to the spread of COVID-19, closure of facilities and a government instruction to stay home had a significant impact on our businesses, including hotel operation, membership sales, and operation of health checkup facilities. However, sales activities centered on membership businesses remained resilient even in the midst of the COVID-19 crisis, performing well during the third quarter in particular. Consolidated sales and income both increased as real estate profits that had been deferred were realized with the September opening of YOKOHAMA BAYCOURT CLUB and operation of membership hotels remained on a recovery track since June and was also buoyed by the “Go to Travel Campaign.”

\*Income attributable to owners of parent is labelled as “Net income” in this document.

# Segment Sales and Operation Income 3Q FY2020



(April to December)

## <Sales>

(Million yen)

	Membership	Hotel and Restaurant	Medical	Other		Total
<b>2020/12 (results)</b>	<b>55,219</b>	<b>45,710</b>	<b>29,128</b>	<b>513</b>		<b>130,572</b>
2019/12 (results)	30,053	63,607	29,177	499		123,339
YoY Change	+83.7%	(28.1%)	(0.2%)	+2.8%		+5.9%

## <Operating Income>

(Million yen)

	Membership	Hotel and Restaurant	Medical	Other	Overhead expenses	Total
<b>2020/12 (results)</b>	<b>19,271</b>	<b>(2,650)</b>	<b>4,193</b>	<b>429</b>	<b>(5,893)</b>	<b>15,350</b>
2019/12 (results)	10,512	2,130	4,441	427	(6,475)	11,035
YoY Change	+83.3%	(4,780)	(5.6%)	+0.4%	+582	+39.1%

"YoY Change" is the difference in the amount.

## <Reference: EBITDA >

(Million yen)

	Membership	Hotel and Restaurant	Medical	Other	Overhead expenses	Total
<b>2020/12 (results)</b>	<b>19,302</b>	<b>1,611</b>	<b>5,462</b>	<b>670</b>	<b>(4,463)</b>	<b>22,582</b>
2019/12 (results)	10,549	6,875	5,668	677	(4,975)	18,795
YoY Change	+83.0%	(76.6%)	(3.6%)	(1.1%)	+511	+20.1%

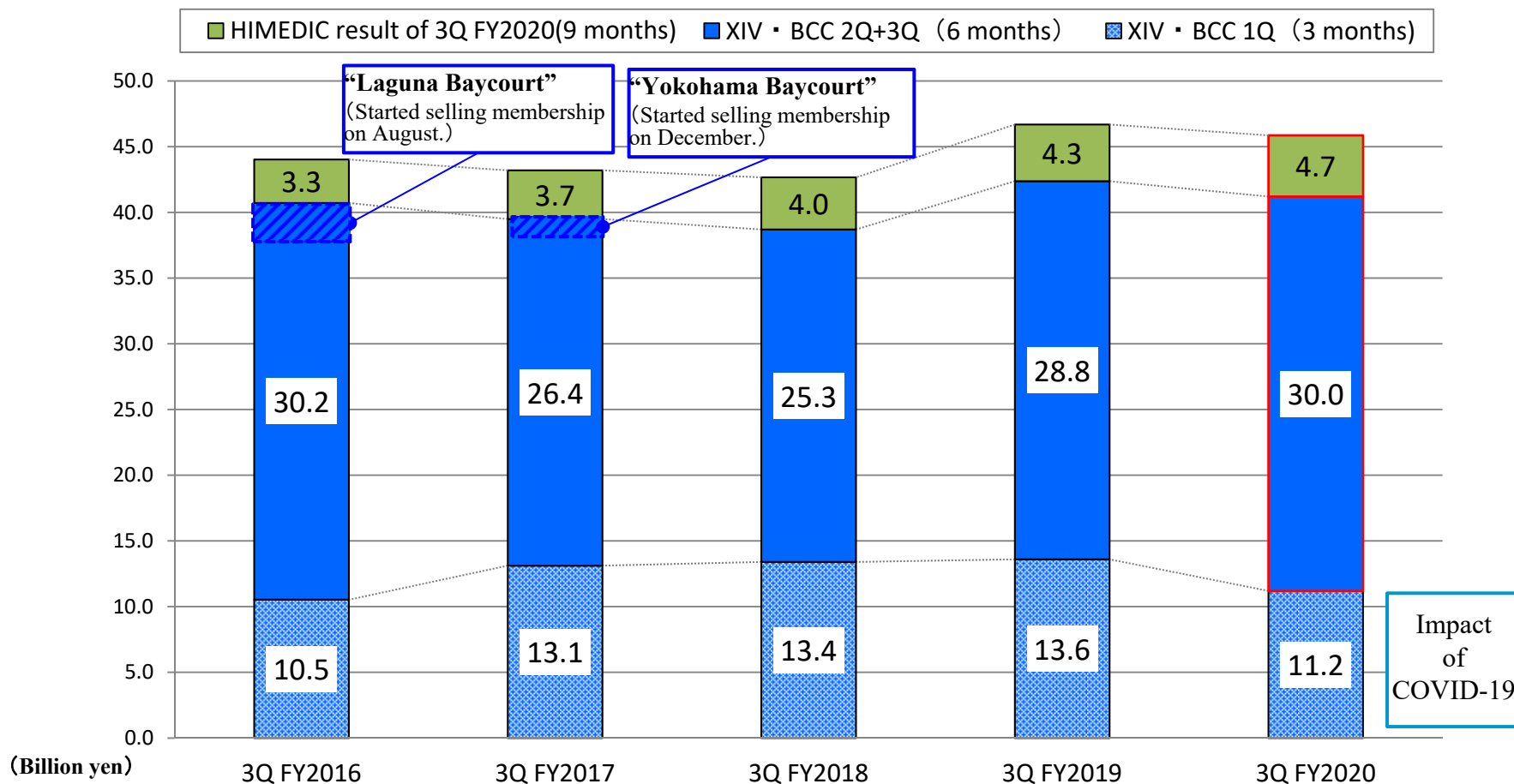
"YoY Change" is the difference in the amount.

\*Segment operating income before depreciation (=EBITDA) is calculated as the sum of operating income, depreciation and Amortization of goodwill.

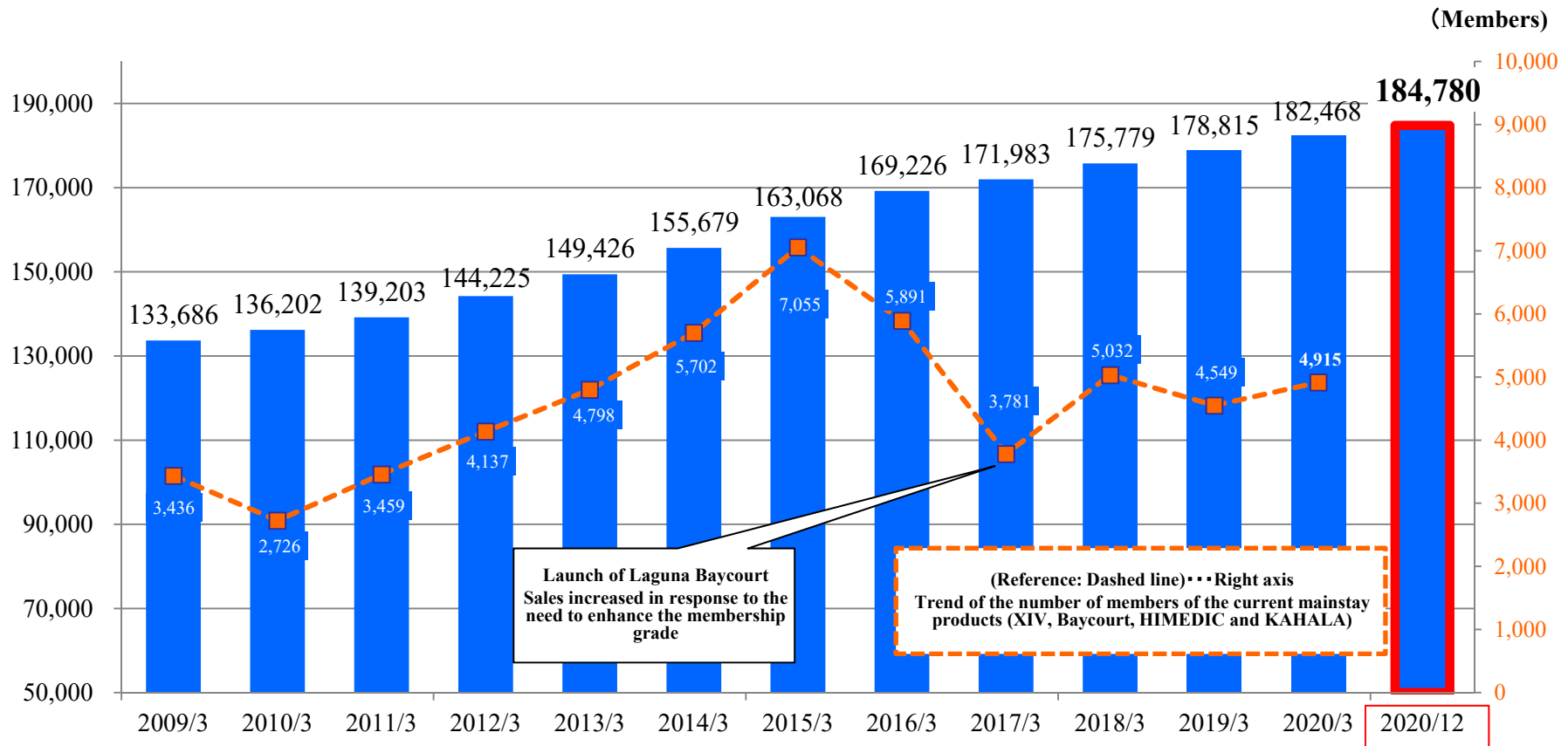
# Progress of contract values for nine months



- Contract values of hotel memberships declined during the period of April-June from the previous year due to partially reduced sales activities following the declaration of a state of emergency. During the six months since July, however, the figures rose above the year-earlier levels, rising to the highest levels since 2016, when an impact of the launch was felt.
- Contract values of HIMEDIC memberships remained solid during the nine months period to December 2020, rising above the levels in the previous year, which saw a record high for the full year.



# Number of Members



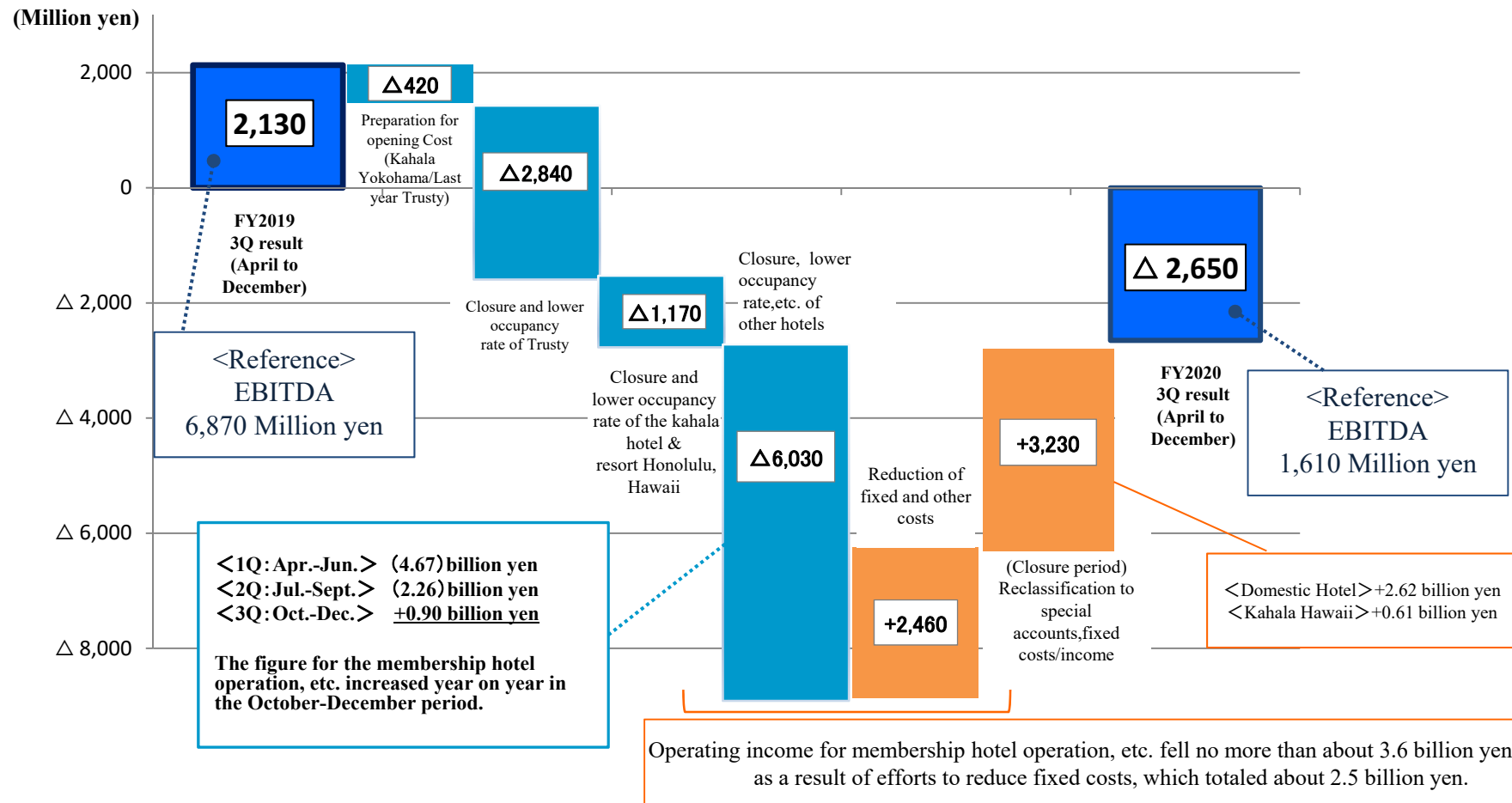
	Baycourt	XIV	Sun Members	Golf	Medical	Cruiser	KAHALA	Total	
2020/3	20,507	77,982	31,485	30,001	21,534	381	578	182,468	
<b>2020/12</b>	<b>22,990</b>	<b>77,485</b>	<b>30,213</b>	<b>29,991</b>	<b>23,032</b>	<b>390</b>	<b>679</b>	<b>184,780</b>	XIV+BCC+HM+KAHALA Total
Change April - December 2020	+2,483	(497)	(1,272)	(10)	+1,498	+9	+101	+2,312	+3,585
Change April - December 2019	+1,841	+482	(725)	(131)	+1,364	+4	-	+2,835	+3,687

\*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 3Q FY2020

(compared with the same period of the previous FY)

- In FY2020, operating income sharply declined due to the spread of COVID-19. Owing to the closure of facilities from the Golden Week to May/June (many reopened in June), applicable fixed costs (and income during the corresponding period: annual fees and income from amortization of deposits) were recorded under extraordinary losses/income. In addition, expenses centering on fixed costs were reduced.



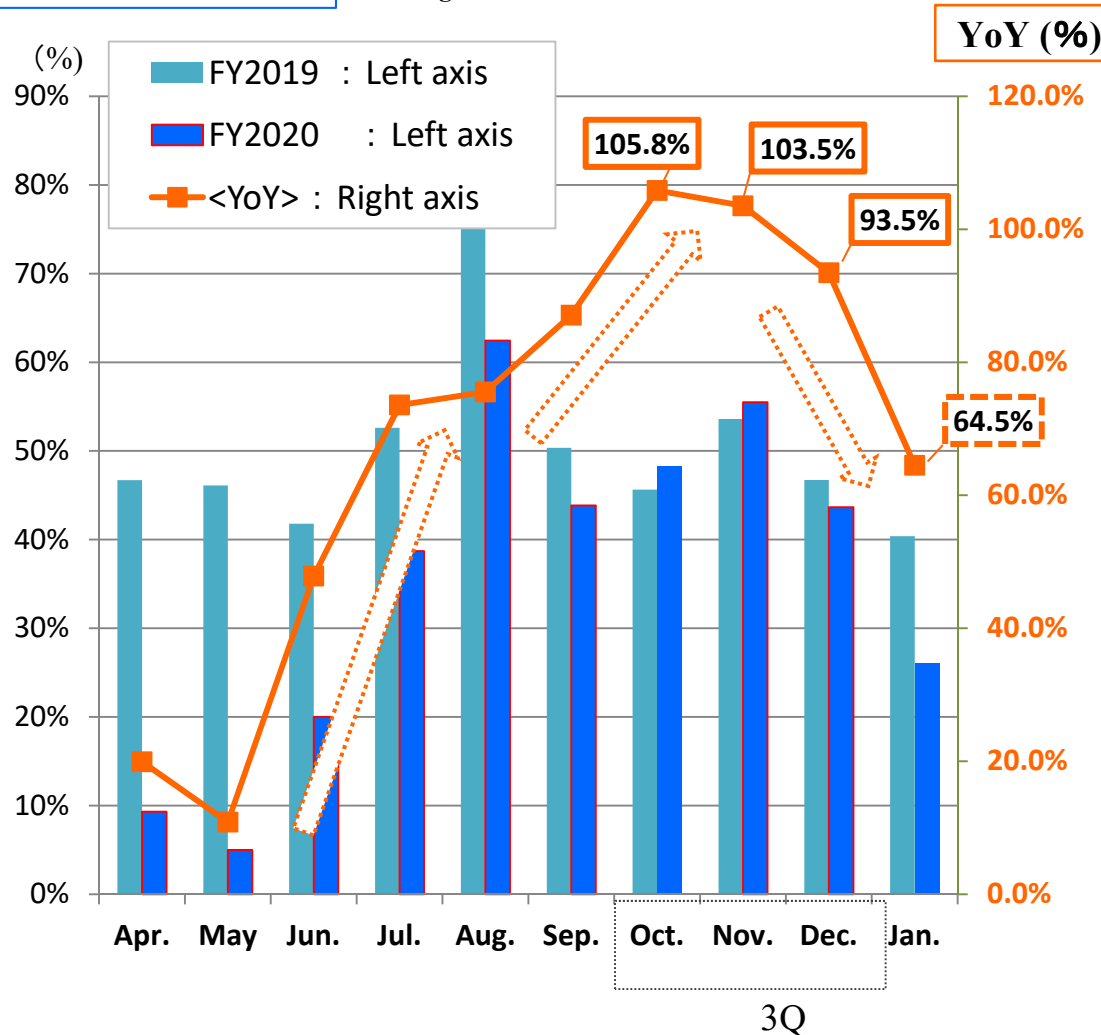
# Trends in Hotel occupancy rate by months①



Monthly occupancy rates of XIV, Baycourt, Trusty brands were compared. As the number of rooms during the closure period is included in the denominator, the occupancy rates saw the biggest drop in May when there were many days of business suspension (80 to 90% lower than the previous year). XIV's occupancy rate steadily improved since June, led mainly by a recovery in the use by members. As infections spread again from the second half of December, however, the figures again fell below the year-earlier levels in the most recent months, affected by a state of emergency declared once again.

## XIV occupancy rate

\* The denominator includes the number of rooms at facilities during the closure



(Apr.~May)

The occupancy rate largely fell as most facilities were forced to shut operations after a state of emergency was declared in April.

(Jun.~Jul.)

Many facilities resumed operations in June, and in July, the occupancy rate returned to a level of about 30% lower than the previous year owing primarily to usage by owners.

(Aug.~Nov.)

After the emergence of the second wave of infections, the recovery pace decelerated temporarily in August. Since September, however, the occupancy rate was supported by the full-scale sales of the "Go to Travel Campaign" plans, and in October and November it exceeded the previous year. (The figure for October of the previous year includes the impact of the typhoon.)

(Dec.~Jan.)

The figure was put on a downward path by the third wave of infections and a state of emergency declared once again.



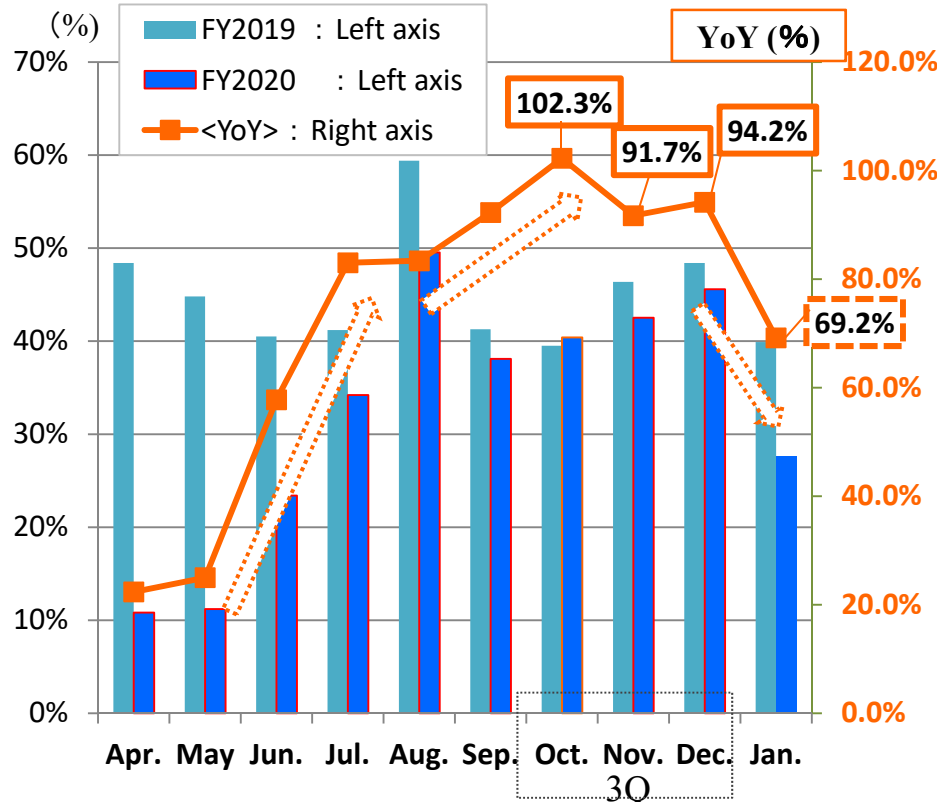
# Trends in Hotel occupancy rate by months②



Baycourt's occupancy rate followed a similar trajectory to XIV's, with largely solid 3Q outcomes. Trusty's recovery had been slow, but the occupancy rate showed a recovery trend, driven by various efforts and a gradual recovery in leisure demand, supported by the "Go to Travel Campaign." But figures slumped for both brands in January 2021.

## Baycourt occupancy rate

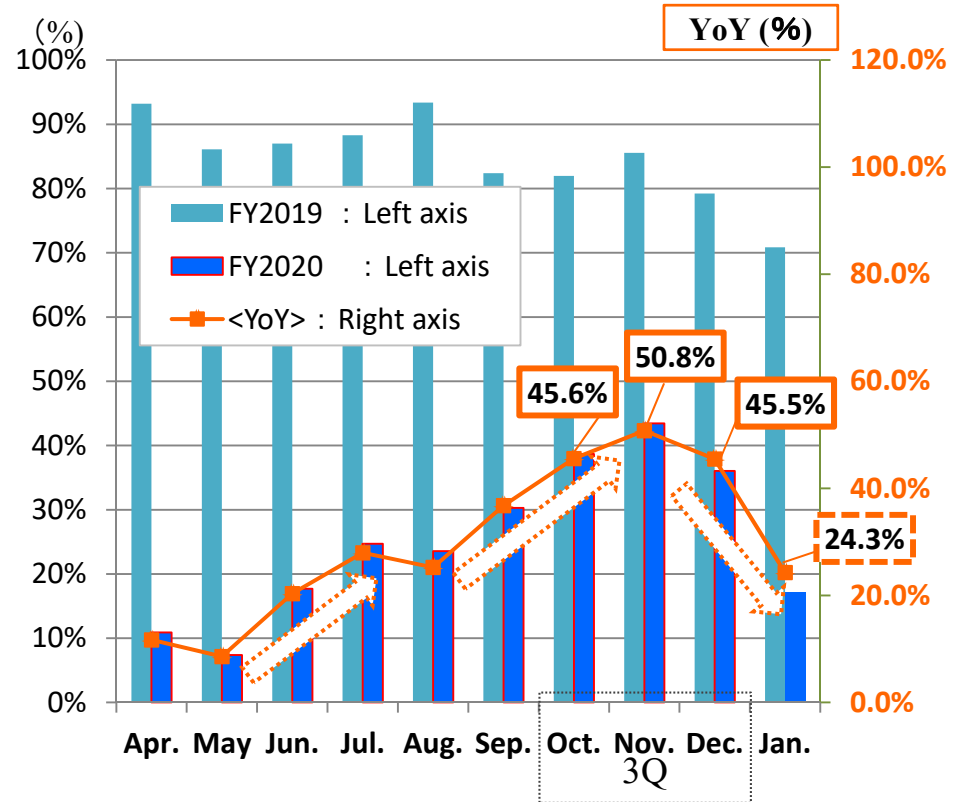
\* The denominator includes the number of rooms at facilities during the closure.



•The occupancy rate followed a similar trajectory to XIV's. (The above chart compares average occupancy rates including the figures for YOKOHAMA BAYCOURT CLUB from September 23 onward. [Comparison by total number of occupied rooms showed a 15% increase year on year in the October-December period.](#))

## Hotel Trusty occupancy rate

\* The denominator includes the number of rooms at facilities during the closure.

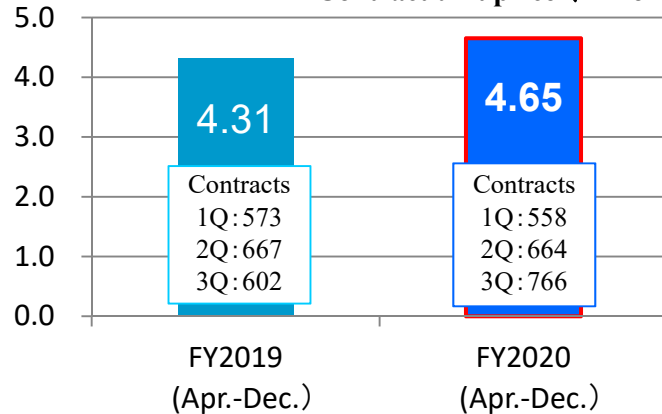


The pace of recovery remained slow compared with membership hotels, but the occupancy rate rose gradually, reaching around 50% of the year-earlier level in November. In particular, business demand still remains sluggish, and new efforts have been rolled out such as long-term stay plans.

# Progress of Medical business

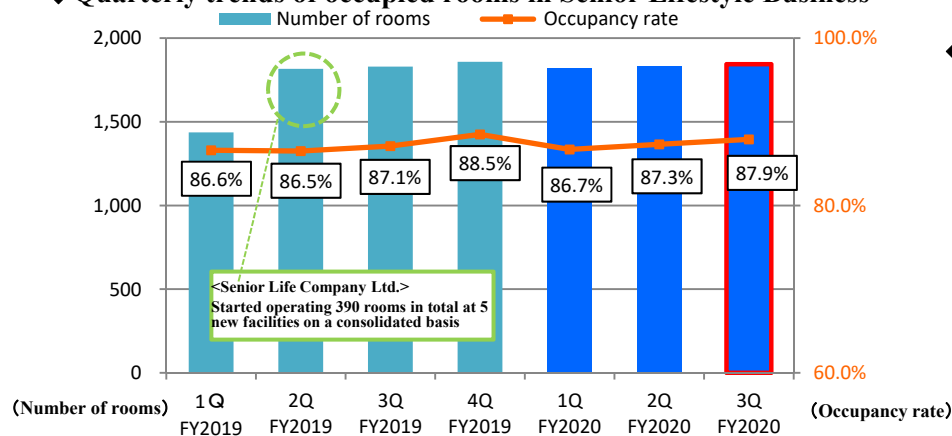
**Sales of HIMEDIC memberships accelerated further in 3Q FY2020. The performance exceeds that in the same period of the previous year, when full-year contract values reached the all-time high. Performance of non-membership health check-ups exceeded the year-earlier levels from August. Health checkup capacity was expanded in response. Member privilege programs were rolled out for new occupants at facilities for the elderly.**

## ◆ HIMEDIC sales <YoY> Contract unit price (Billion yen)



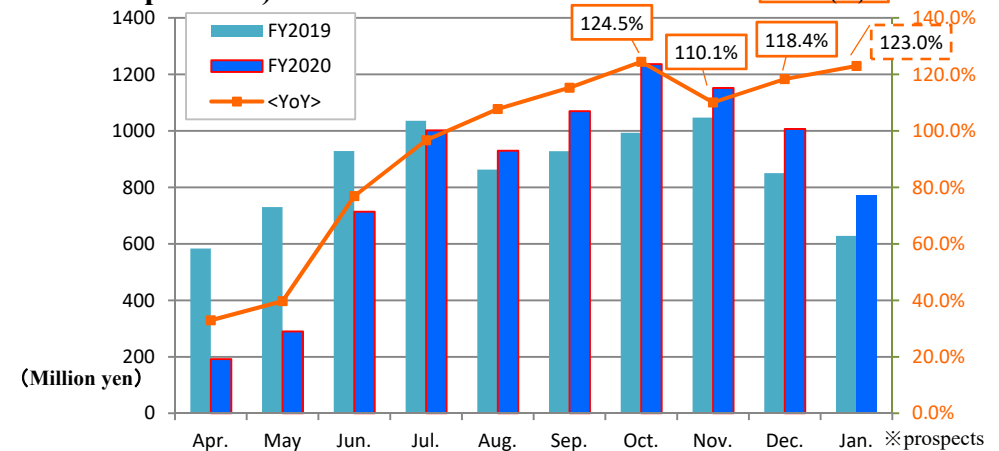
Needs were strong even during the COVID-19 crisis. Cumulative number of contracts in the third quarter was 1988. (YoY+146)

## ◆ Quarterly trends of occupied rooms in Senior Lifestyle Business



The occupancy rate dropped during the period of April-June as the COVID-19 crisis made admission of new occupants and room renovations difficult. Figures remained on a gradual uptrend from July.

## ◆ Result of non-membership health check-ups (Shinkokai Medical Corporation) <YoY>



Income declined due to the facility closure during 1Q. Since August, however, figures showed a rebound and rose by 10 to 20 % year on year.

## ◆ We undertook initiatives unique to the Medical Business during the COVID-19 crisis to support Resorttrust's Group members, employees and facilities

• A Group-affiliated medical corporation coordinated with Group facilities including hotels, instructed them on countermeasures, and strengthened hygiene management

• An emergency telephone consultation desk for medical advice was launched for Resorttrust Group members under the state of emergency.

• We launched MUNOAGE V BLOCK SPRAY, which was developed jointly with Zeal Cosmetics Inc. The product is based on V BLOCK SPRAY, which contains ostrich antibodies, enhanced with a moisturizer added to ostrich egg yolk extract.

→ Sold at shops inside our hotels, etc.; about 8,800 of them distributed to group offices



**Additionally, please check out the key developments described on page 23 of this document and a separate press release, for information on the new project in the Medical Business announced in February 9, 2021**

# Consolidated Balance Sheets



(Million yen)

	2020/3	2020/12	Change		2020/3	2020/12	Change
<b>Total current assets</b>	<b>125,296</b>	<b>149,242</b>	<b>+23,946</b>	<b>Total current liabilities</b>	<b>67,192</b>	<b>105,736</b>	<b>+38,543</b>
Cash and deposits	21,164	34,551	+13,387	Notes and accounts payable-trade	1,117	1,696	+578
Notes and accounts receivable-trade	8,233	9,976	+1,742	Short-term loans payable	8,107	27,256	+19,148
Operating loans	53,549	56,573	+3,023	Current portion of bonds	150	150	-
Short-term investment securities	499	18,998	+18,499	Current portion of bonds with share acquisition rights	-	29,738	+29,738
Merchandise, raw materials and supplies	2,182	2,431	+248	Accounts payable-other and accrued expenses	15,632	17,039	+1,406
Real estate for sale	22,077	18,753	(3,324)	Advance received	22,028	2,165	(19,863)
Real estate for sale in process	12,357	3,730	(8,626)	Other	20,155	27,690	+7,535
Other	5,231	4,227	(1,003)	<b>Total noncurrent liabilities</b>	<b>200,649</b>	<b>185,987</b>	<b>(14,661)</b>
<b>Total noncurrent assets</b>	<b>275,537</b>	<b>282,035</b>	<b>6,498</b>	Bonds payable and long-term loans payable	31,316	45,686	+14,370
Property, plant and equipment, net	193,748	199,084	+5,335	Long-term guarantee deposited	101,768	102,446	+677
Intangible assets	10,580	9,447	(1,133)	Bonds with subscription rights to shares	29,770	-	(29,770)
Investments and other assets	71,208	73,504	+2,296	Other	37,793	37,855	+61
				<b>Total liabilities</b>	<b>267,842</b>	<b>291,724</b>	<b>+23,881</b>
				<b>Net Assets</b>	<b>132,991</b>	<b>139,554</b>	<b>+6,562</b>
				Shareholders' equity	129,652	135,788	+6,136
				Treasury shares	(1,802)	(1,787)	+14
				Accumulated Other Comprehensive Income	(50)	382	+433
				Subscription rights to shares	313	313	-
				Non-controlling interests	4,878	4,857	(21)
<b>Total assets</b>	<b>400,833</b>	<b>431,278</b>	<b>+30,444</b>	<b>Total liabilities and net assets</b>	<b>400,833</b>	<b>431,278</b>	<b>+30,444</b>

# Consolidated Cash Flows 3Q FY2020

(April to December)



(Million yen)

	2019/12	2020/12
Cash flows from operating activities	12,106	<b>15,590</b>
Cash flows from investing activities	(8,251)	<b>(23,175)</b>
Cash flows from financing activities	1,468	<b>31,177</b>
Effect of exchange rate changes on cash and cash equivalents	(6)	<b>(23)</b>
Net increase (decrease) in cash and cash equivalents	5,317	<b>23,569</b>
Cash and cash equivalents at end of period	29,212	<b>44,946</b>

# Initiatives and COVID-19 Countermeasures by Segment



## FY2020 (second year of “Connect 50”)

## FY2021 (COVID-19 Countermeasures)

Member  
ship

**<Increase of contract value> +10% YoY in contract value (hotels)**  
 •Revision of prices of Laguna Baycourt Club  
 •Consideration of new products for existing buildings: “Version 20” launched  
 •+10% YoY in productivity per hour by digitalization, etc.  
 •Membership sales of THE KAHALA HOTEL & RESORT started on February 25. Contract value amounted to 1.9 billion yen.

•Temperature check and thorough implementation of other infection prevention measures during sales activities  
 •Securing of productivity of flexible workstyles including telework and partial leave  
 •Marketing according to the economic situation by industry sector amid the COVID-19 crisis

Hotel and  
Restaurant

**<Initiatives to enhance occupancy rate> → There remains urgent need to strengthen measures to further improve occupancy rates.**  
 •Point app: 210,000 subscribers  
 •Online reservation: +4 percentage points YoY (16%→20%)  
 •Enhancement of owner benefits to enhance customer satisfaction: +0.11 percentage points YoY at March 31  
 •Promotion of large corporate customers’ utilization: +8% YoY (cumulative total in February excluding COVID-19 impact)  
**<Workstyle reform and improvement of profitability>**  
 •Enhancement of productivity: Annual reduction of 80 hours per shift (2,045H→1,965H)  
 •Increase in fixed income  
**<Launch of the HOTEL TRUSTY Premier brand>**  
 (Nihonbashi in September, Kumamoto in October)

**<Infection prevention measures and social distancing measures>**  
 •Health check by questionnaire upon arrival, “non-stop check-in/out”  
 •Use of V BLOCK Air, an airborne virus prevention product that contains ostrich antibodies  
 •In addition to in-room dining, we provide meals with thorough infection prevention measures.  
 •Thorough temperature check of employees, disinfection of public spaces, etc., every three hours  
**<Cost reduction/operational measures>**  
 •Cost reduction centering on fixed costs (approx. 5.0 billion yen)  
 •Offering information and attracting customers by using LINE WORKS, loyalty program apps and other apps.

Medical

**<Expansion of HIMEDIC membership sales> +8% YoY in contract value**  
 •Membership sales of a new base in the Nihonbashi area in the second half: October 16 onward, 501 memberships  
 •Introduction of the HIMEDIC app, enrichment of service: app introduced  
 •Sales by inbound businesses → To be reviewed continuously in view of the COVID-19 impact  
**<Senior Lifestyle Business: Increase of the number of facilities and enhancement of the occupancy rate>**  
 •Smooth operation of facilities opened/acquired: +6 facilities, +390 rooms  
 •Initiatives to increase the occupancy rate → Increased number of sales personnel, strengthened approach to the members of the Group’s facilities/services  
 •Development of new facilities → To be reviewed continuously in view of COVID-19 impact  
**<BNCT Business>**  
 Delivery of research equipment and start of clinical trial in November: good progress

**<Infection prevention measures and social distancing measures>**  
 •Securing of goods for infection control (disinfectants, goggles, protective gear, etc.)  
 •Midtown Clinic: Cooperation with the Group’s hotels and other facilities, instructions on measures to be taken and strengthening of sanitation management  
 •Health check-ups/examinations: Adjustment of operation according to the situation  
 •Released “MUNOAGE V BLOCK SPAY” and distributed to employees  
 •Facilities for the elderly: Thorough disinfection, restrictions on visitors, access to facilities, and going out  
**<Enrichment of services for the Group’s customers>**  
 •Telemedicine from the first consultation \*Previously available only for return patients  
 •Group information dissemination to RTTG Point Club members. Consultation on infection countermeasures via telephone.

Head  
Office

**<Promotion of digitation and workstyle reform>**  
 •Increase in the number of holidays per year (from 110 days to 120 days)  
 •Thorough utilization of IT: +160% YoY in the use of digital marketing (FY2018 = 0.6 billion→FY2019 = 1.6 billion)  
 •Review of the costs of head office’s indirect operations: Decrease in head office costs (To be reduced continuously)

•Consideration of whether to apply for special loans (bank borrowings) to secure stable liquidity  
 •A commitment line of 85.0 billion yen has already been set up. \*Including 30.0 billion yen for earthquake recovery and acquisition  
 •Reduction of various expenses including partial return of executive compensation (Apr.-Jun.) and reduction (Jul. onward)  
 •Payment of the salary to employees as compensation during closure (Compensate for the amount added to the minimum amount set by the government.)  
 •Performs PCR tests and antibody tests for employees.

# Closure/Operation of Facilities in Relation to COVID-19

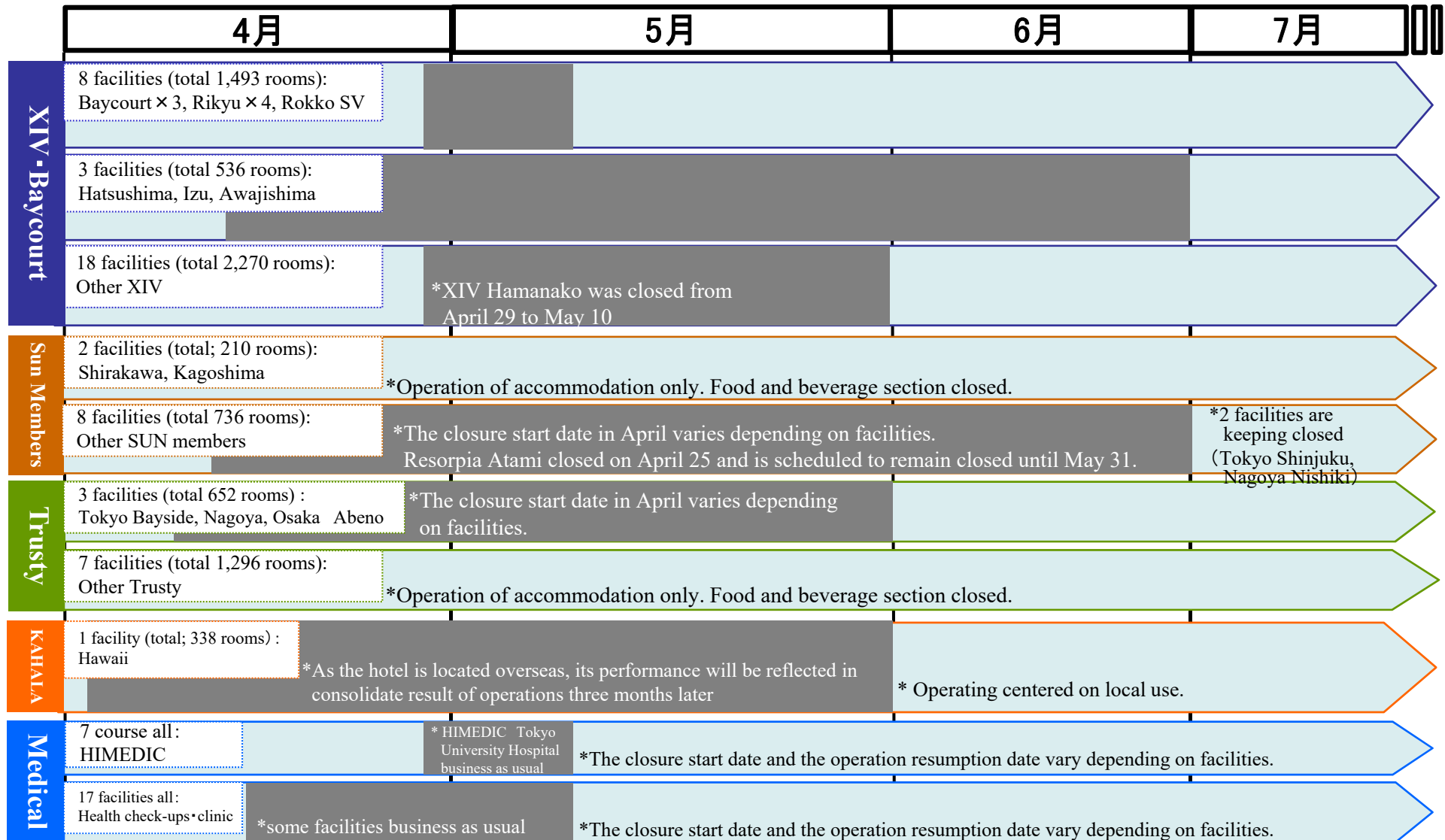
## ◆ Schedule for operation/closure of principal facilities of first half FY2020

...Operation  ...Closed 

\*The schedule is subject to change. For the latest situations and detailed information, please refer to “Topics” on the Resorttrust official website.

\*We are striving to enhance sanitation at our facilities in operation for the safety of our guests and employees.

(Reference: Resorttrust’s infection prevention measures <https://rt-clubnet.jp/hotels/sp/measures/>)



\* Not including unopened facilities as of May,1.

# Operational Structure Under State of Emergency Declared Once Again in January (in Some Areas)

## ◆ Areas subject to emergency measures

<Tokyo, Kanagawa, Saitama, Chiba, Osaka, Kyoto, Hyogo, Aichi, Gifu, Fukuoka, Tochigi> (January 7, January 13)

- All drinking/eating establishments (those with operational license) in the prefectures subject to emergency measures are instructed to operate shorter hours, only between 5 a.m. and 8 p.m. ※ alcohol served only between 11 a.m. and 7 p.m.

	Target facility	Changes
XIV・Baycourt	Tokyo Baycourt, Yokohama Baycourt, Laguna Baycourt, Ashiya Baycourt, XIV Hakone Rikyu, XIV Yugawara Rikyu, XIV Kyoto Yase Rikyu, XIV Arima Rikyu, XIV Rokko Sanctuary Villa, XIV Awajishima, ※XIV Nasu Shirakawa, ※XIV Yamanakako, ※XIV Yamanakako Sanctuary Villa	Closing time of restaurants, lounges and bars changed to 8 p.m. (alcohol served only between 11 a.m. and 7 p.m.)  ※Requests by prefectural governments prioritized.
KAHALA	THE KAHALA HOTEL & RESORT YOKOHAMA	
Trusty	Nihonbashi Hamacho, Tokyo Bayside, Nagoya Sakae, Nagoya Shirakawa, Shinsaibashi, Osaka Abeno, Kobe Kyukyoryuchi, ※Kumamoto	
Sun Members	Hirugano, Kumihama, Kyoto Saga	Temporarily closed
	Kumihama, Kyoto Saga, Beppu, Tokyo Shinjuku, Nagoya Nishiki (Sun Members Tokyo Shinjuku and Sun Members Nagoya Nishiki have been closed since before the declaration of the state of emergency)	
Medical	No change	—

※The schedule is subject to change. For the latest situations and detailed information, please refer to “Topics” on the Resorttrust official website.

“COVID-19 emergency health telephone consultation desk” available to all Resorttrust Group member customers was opened. Its operation was subcontracted to Tokyo Midtown Clinic, our key partner medical institution. (January 20-March 8)

※ We will consider extending the operational period of the desk if the state of emergency is extended.

# Business Forecast for FY2020



◆ Released “Revision of financial results forecast and the Dividend Forecast” on Nov.10th 2020.

<Consolidated Targets>

(Million yen)

	FY2019 results	FY2020 revision targets	Change
Net sales	159,145	16,500	+5,854
Operating income	11,652	11,000	(652)
Ordinary income	12,476	13,000	+523
Net income	7,135	6,200	(935)
Net income per share (yen)	66.65	57.91	(8.74)
Annual Cash dividend (yen)	40.00	25.00	(15.00)

<Operating Income by Segment (before allocation)>

(Million yen)

		FY2019 results	FY2020 revision targets	Change
Membership	Sales	38,948	63,200	+24,251
	Operating income	13,559	20,200	+6,640
Hotel and Restaurant	Sales	80,659	62,400	(18,259)
	Operating income	92	(6,600)	(6,692)
Medical	Sales	38,867	38,700	(167)
	Operating income	5,829	5,100	(729)
Other	Sales	670	700	+29
	Operating income	663	600	(63)
head office costs	Operating income	(8,491)	(8,300)	+191
Total	Sales	159,145	165,000	+5,854
	Operating income	11,652	11,000	(652)

<Net Sales / Operating Income >

• Realization of revenue deferred in the previous year  
(realization of the deferred revenue recorded upon opening of facilities, excluding revenue deferred during the year)  
FY2019: None  
FY2020: Net sales of 20.1 billion yen and operating income of 7.1 billion yen for Yokohama Baycourt Club

• Differences from start-up costs associated with the opening  
FY2019: HOTEL TRUSTY, etc.,  
FY2020: Yokohama Baycourt Club/KAHALA

• Increase in depreciation cost  
Yokohama Baycourt Club/KAHALA (following the opening), systems investment, etc.

• Increase in membership fees  
Yokohama Baycourt Club (following the opening), increased membership of HM and XIV

• Decrease in revenue from BNCT equipment  
FY2019: Net sales of 1.4 billion yen. Operating income of 0.2 billion yen.  
FY2020: None

• Fixed costs and other expenses incurred during the closure of the facilities will be recorded as extraordinary losses.  
FY2020: 3.5 billion yen  
(facility fixed costs/fixed income including annual fees)

◆ Projections of the impact of COVID-19

• Assumptions of each indicator (YoY)

	1Q results	2Q results	3Q results	4Q Prospect
Contract values of hotel memberships	about 20% fall	about 10% fall	about 10~20% increase	about 10% fall
Contract values of HM memberships	same as the previous year			
Number of occupied rooms of XIV/BCC	about 70% fall	about 20% fall	same as the previous year	about 30~40% fall
Number of occupied rooms of Trusty	about 90% fall	about 70% fall	about 50% fall	about 50~60% fall
Income for Medical Service Corporation Business	about 30% fall	same as the previous year	about 10% increase	about same as the previous year
Overseas Hotel (Hawaii)	same as the previous year	about 90% fall	about 80% fall	about 70~80% fall

※ Hotel occupancy rate for 4Q factors in the COVID-19 impact of the previous year

• In addition, fixed cost reduction and curtailment of variable costs are assumed

• Unrespects that national emergency measures will be taken (such as closing the entire facility)



# Group's Development Schedule



Within the red frame are subject to change.  
 (Schedule to be reviewed continuously in view of the change in the market environment and other factors)

<Sales and business commencement schedule\_February 9, 2021>

- Commencement of business and acquisition
- Commencement of sales

Medium-term management plan		Previous medium-term management plan Next40					Current medium-term management plan Connect 50					
Fiscal year		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Sales and business commencement schedule	Membership resort hotels		● XIV Toba Bettei									
				● XIV Yugawara Rikyu								
					● Ashiya Baycourt Club							
						● XIV Rokko SV						
							● Laguna Baycourt Club					
Business commencement schedule	Luxury hotel (LH)		● THE KAHALA						● THE KAHALA Yokohama			
	Hotel Trusty (HT)	● Kanazawa				● Nagoya Shirakawa		● Nihonbashi Hamacho		● HT①		
	Medical examination club on a membership basis	● HIMEDIC Midtown			● HIMEDIC Tokyo Bay	● HIMEDIC Nagoya			● Tokyo Nihonbashi			
	Senior residence (SR)	● Mikage	● Todoroki	● Hongo		● Akiwa Biwa	● Shirakabe	● Bashamichi	● Ogikubo			
Renewal	● Hakone		● Beppu	● Shirakawa					● Atami			
			● Toba						● Shinjuku			

Discussions to be continued in preparation for rolling of medium-term management plan

(Increase existing facility capacity)

● SR① ● SR③

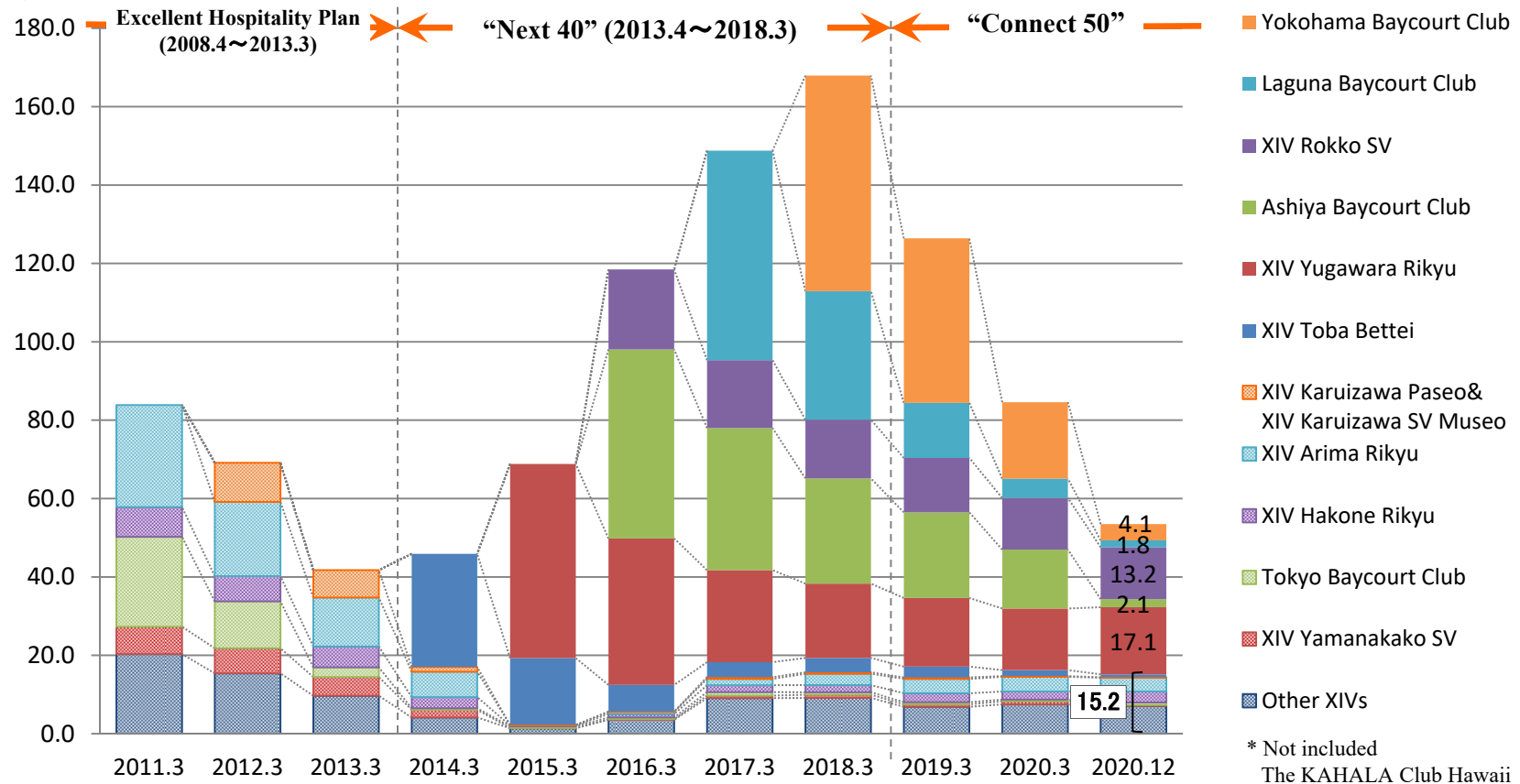
● SR② ● SR④

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

# Trend of sales inventories (contract value basis)

- 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.
- Inventories decreased about 110.0 billion yen over a little less than three years after the current medium-term management plan was launched. The Group has sales inventories amounting to 53.5 billion yen as of December 31, 2020, which are sufficient for roughly over a year. (Not included The KAHALA Club Hawaii)

(Billion yen)



\*Acquired development site: Kinugawa, Chiba(Suzumejima・Hota), Karuizawa, Hakonegora, Atamiizusan, Hamanako, Takashima, Takayama, Land adjacent to Laguna Baycourt Club. (Contracted, Scheduled to be delivered in April 2021)

# Quantitative plan (consolidated)

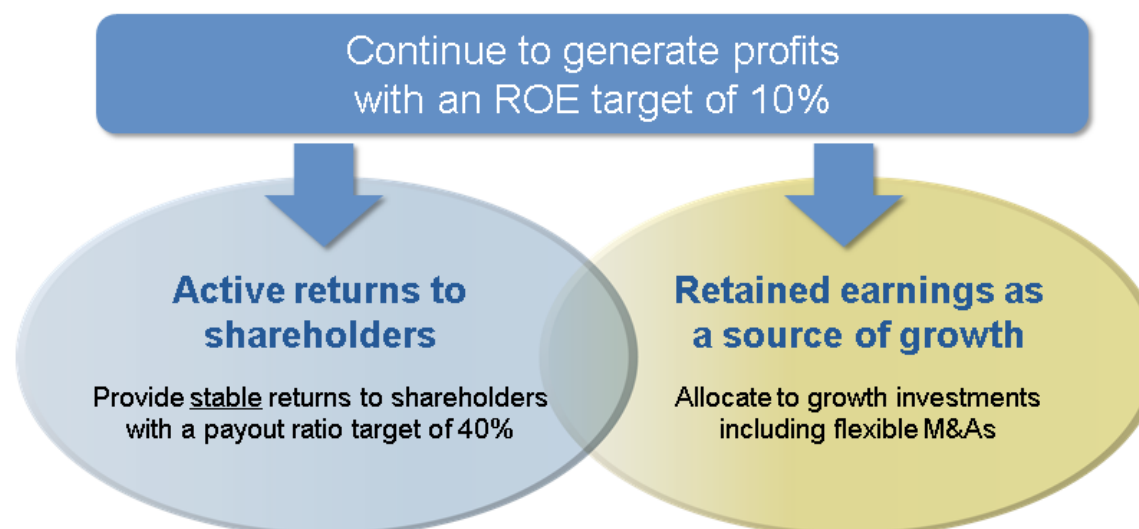
## Medium-term Management Plan “Connect 50”



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

We are considering rolling the current medium-term management plan in FY2021, taking into account the impact of the Accounting Standard for Revenue Recognition whose application will start in May 2021 and changes in the external environment.

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



# 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”.

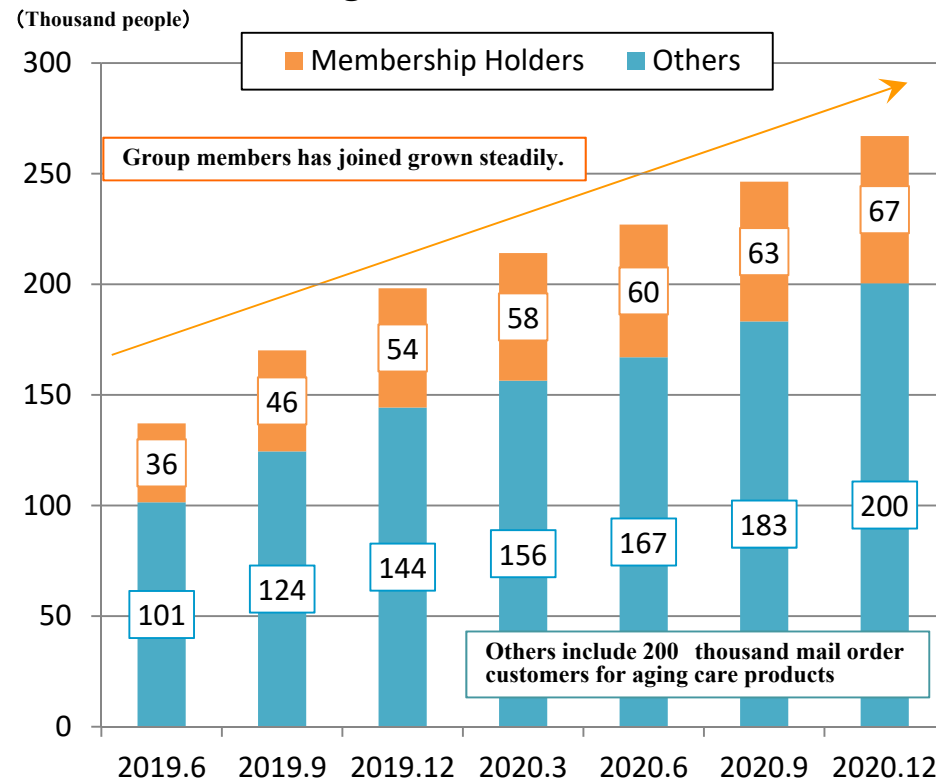
In addition to this measure, we will enhance the points of contact with customers to take initiatives with an aim to become a distinguished corporate group with its unique Group brand by fostering close membership ties that last for a lifetime, going beyond creation of value across individual businesses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

<Utilization of functions to create synergy>

- Push notifications → Announce the Group’s various plans, campaign information, etc. Disseminate information to stimulate use of the Group’s products and services in real time.
- Dissemination of information on the Group → Distribute information on enrichment of the Group’s various products and services, etc. to enhance membership holders’ recognition. Information on infection prevention was disseminated amid COVID-19 crisis.

Approximately 267,000 total point club members including the general public as of the end of 2020.12.  
(Of these, membership holders increased to approximately 67,000.)

## Progress of RTTG Point Club



### ポイント獲得/利用対象



# Our group's ESG Outline①



## Resorttrust Group Management Philosophy

Hospitality Charter [Code of Conduct]

## medium-term management plan “Connect 50”

## Materiality for the Group's business (risks and opportunities)

- Demand for stay and accommodation facilities for affluent people and general consumers (Japan & overseas)
- Tourism-oriented nation, regional revitalization, labor shortages, promotion of diversity
- Enrichment of high-quality and safe services and facilities for seniors
- Rising needs for health maintenance and preventative medical care through early detection
- R&D for highly advanced medical treatment and development of the aging care business.



Resolution of social issues  
Sustainable enhancement  
of corporate value






## <Categorization based on ESG issues>

	Materiality for the Group's business (risks and opportunities)	Specific initiatives (examples)
E	<ul style="list-style-type: none"> <li>• Harmony with the natural environment, conservation of the ecosystem</li> <li>• Reduction of environmental impacts during development, energy saving, resource saving, promotion of recycling, prevention of contamination</li> </ul> <p>&lt;The beauty of nature is the most charming and irreplaceable asset for the resort business.&gt;</p> <p>Relevant policies: Environmental Policy (established in 2005)</p>	<ul style="list-style-type: none"> <li>• Shift to LED, mega-solar, eco-stay</li> <li>• Use of eco-cars</li> <li>• Origami Action (biodiversity)</li> <li>• Use of coffee beans certified by Rainforest Alliance</li> <li>• Tree-planting during development, green campaign, etc.</li> </ul>
S	<ul style="list-style-type: none"> <li>• Response to labor shortages by enhancing productivity, such as through promotion of digitization</li> <li>• Active participation of women in the hospitality industry to promote leisure, health and beauty</li> <li>• “Diversity” of human resources to respond to rapid change in society</li> </ul> <p>&lt;The Group's businesses share “hospitality” as a key concept and a source of strength.&gt;</p> <p>Medium-term target: Male employees taking childcare leave: 50%(March, 2024), ratio of female managers: 25%(April, 2025), number of holidays per year (hotel employees): 105 days→120 days (working hours: 2,085H→1,920H)</p>	<ul style="list-style-type: none"> <li>• Enhancement of employment of persons with disabilities (received various awards)</li> <li>• Revision and reduction of working hours, increase of the number of holidays</li> <li>• Establishment of the Diversity Promotion Office, promotion of activities</li> <li>• Declaration of “Health and Productivity Enterprise,” White 500</li> <li>• Kurumin certification obtained, enrichment of various internal plans</li> <li>• Promotion of workstyle reform by promoting systematization.</li> </ul>
	<ul style="list-style-type: none"> <li>• Contribution to regional vitalization and revitalization, enrichment of facilities corresponding to inbound demand</li> <li>• Joint research and technological innovation with medical institutions: To “create a society where cancer claims no precious lives”</li> <li>• Enrichment of nursing care facilities and services to create safe and affluent lifestyles</li> </ul> <p>&lt;Through provision of a wide range of leisure, health, and medical services to society, help customers discover and celebrate the very finest that life has to offer&gt;</p> <p>During the period covered by the current medium-term management plan: Development of hotels based on requests from and cooperation with local governments, such as the cities of Ashiya, Kumamoto, and Yokohama Double the profit by expanding the Medical Business (senior lifestyle facilities: approx. 1,500 rooms→3,000 rooms)</p>	<ul style="list-style-type: none"> <li>• Local recruitment (creation of employment in regions)</li> <li>• Local production for local consumption, dietary education and regional activities</li> <li>• Planning and participation in experiences in nature</li> <li>• Securing of safety and quality of facilities and products</li> <li>• Enhancement of facilities for health check-ups, enrichment of medical and nursing care facilities</li> </ul> <p><b>• Development of equipment for Boron Neutron Capture Therapy (BNCT) → Start of clinical trial in November 2019</b></p>
G	<ul style="list-style-type: none"> <li>• Strong relationships of trust with stakeholders, management of various risks</li> <li>• Securing management transparency (enhancement of the ratio of outside directors, promotion of diversity)</li> <li>• Averting the risk of “galapagosization” of corporate management because of the distinctive nature of the Group's business</li> </ul> <p>&lt;Losing trust is the greatest risk.&gt;</p>	<ul style="list-style-type: none"> <li>• Structure: Company with Audit and Supervisory Committee</li> <li>• Voluntary committees: 2 (Remuneration Advisory Committee, Appointment Advisory Committee)</li> <li>• Ratio of outside directors: 35.3%, ratio of female directors: 11.8%</li> <li>• Establishment of the Risk Management Committee, enrichment of the structure</li> </ul>

# Our group's ESG Outline②



## <External evaluation associated with ESG>

	Selected as a constituent of the SOMPO Sustainability Index for FY2020 list for the second consecutive year (Sompo Japan Nipponkoa Asset Management)	June. 2020
Selected as a constituent of the MSCI-japan-empowering-women-index(WIN)		June. 2020
	Certified as one of the enterprises in the "Health and Productivity Enterprises 2020 list for the fourth consecutive year (Ministry of Economy, Trade and Industry, Nippon Kenko Kaigi)	February. 2020
	Received "Ikumen Ikuboss Award" as part of the Aichi Prefecture Family Friendly Company Commendations for FY2018 (Aichi Prefecture)	February. 2020
Reception of Encouragement Award (President of Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers Award) for "Fiscal Year 2019 Good Example of Workplace Improvement for Employment of Persons with Disabilities" (Sponsor: Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (independent administrative organization); Benefactor: Ministry of Health, Labour and Welfare)		January. 2020
	Selected as an excellent company from among the "Aichi Shining Women Companies" for FY2019 (Aichi Prefecture)	October. 2019
	The Company's 24 employee cafeterias received the highest recognition (three stars) under the Healthy Meal and Dietary Environment Consortium Smart Meal certification system.	October. 2019

	Obtained the Next-generation Certification Mark known as "Kurumin certification" for the second time in 2019 (Ministry of Health, Labour and Welfare) *Obtained Kurumin certification for the first time in 2016.	January. 2019
Received the Excellent Company Award for Employment of Persons with Disabilities under Tokyo Metropolis' program for commendation of excellent companies for employment of persons with disabilities for FY2017 (Tokyo Metropolis)		September. 2017
Received the FY2015 Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers President's Award for Effort (excellent site for employment of persons with disabilities) (Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers)		September. 2015
	Selected for inclusion in FY2014 Diversity Management Selection 100 (Ministry of Economy, Trade and Industry)	March. 2015
Received the Minister of Health, Labour and Welfare Award (the highest award) for FY2013 for "Workplace improvement best practices for employment of persons with disabilities" (hosted by Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers under the auspices of the Ministry of Health, Labour and Welfare)		September. 2013
		
The former Emperor and the Empress visited the Tokyo Head Office Clerical Work Support Center in connection with the Company's receipt of the Minister of Health, Labour and Welfare Award		

<Reference>

- (1) **Nihonbashi Muromachi Mitsui Tower Midtown Clinic opened. (Departments gradually started providing services.)**
  - **Health check-up/examination department: Service started on May 18, 2020.**
  - **Outpatient treatments: Service started on May 11, 2020.**
- (2) **GRAND HIMEDIC CLUB “HIMEDIC Tokyo Nihonbashi Course” service started (June 3, 2020)**
- (3) **Exclusive membership resorts, YOKOHAMA BAYCOURT CLUB HOTEL & SPA RESORT and THE KAHALA HOTEL & RESORT YOKOHAMA, to opened on September 23, 2020**
- (4) **Acquisition of Land for membership resort hotel development site [land: Takayama City, Gifu Prefecture] (September 28, 2020)**
- (5) **『Notice of Revision of the Financial Results Forecast, Payment of a Dividend of Surplus (Interim Dividend), and Revision of the Dividend Forecast』 released (November 10, 2020)**
- (6) **Announcement of Acquisition of Land for Hotel [Adjacent to Laguna Bay Court Club] (December 21,2020)**
- (7) **Notice of Acquisition of Shares of Dia Medical Net, Inc. via its consolidated subsidiary iMedical Inc. (December 22,2020)**
- (8) **The basic agreement was signed on leasing a space in the International Hub for Healthcare Innovation planned in the city of Osaka’s Nakanoshima 4-chome, where we plan to open a new facility for HIMEDIC health checkups, general corporate health checkup programs and “ningen dock” (human dock) comprehensive checkup service. (February 9, 2021)**

**\*The 28th Resorttrust Ladies, which is an annual golf championship the Company has been sponsoring for many years, and DUNLOP SRIXON Fukushima Open whose venue was to be the Group’s golf course were cancelled this year.**



# Contract Values of Membership 3Q FY2020 (April to December)

(Billion yen)

	2020/12 results	2019/12 results	YoY Change	2020/12 Progress rate of contract (cumulative)
The KAHALA Club Hawaii	<b>0.4</b>	—	+0.4	—
Yokohama Baycourt Club	<b>15.8</b>	16.9	(1.2)	94.2%
Laguna Baycourt Club	<b>4.5</b>	8.6	(4.1)	—
XIV Rokko SV	<b>0.1</b>	0.7	(0.7)	48.8%
Ashiya Baycourt Club	<b>13.7</b>	6.1	+7.6	—
XIV Yugawara Rikyu	<b>(0.4)</b>	2.1	(2.5)	76.8%
Other Hotels	<b>7.1</b>	7.9	(0.8)	—
<b>Hotel Membership Total</b>	<b>41.2</b>	<b>42.4</b>	<b>(1.2)</b>	<b>—</b>
Golf	<b>0.6</b>	0.3	+0.3	—
HIMEDIC	<b>4.7</b>	4.3	+0.3	—
<b>Total</b>	<b>46.5</b>	<b>47.0</b>	<b>(0.5)</b>	<b>—</b>

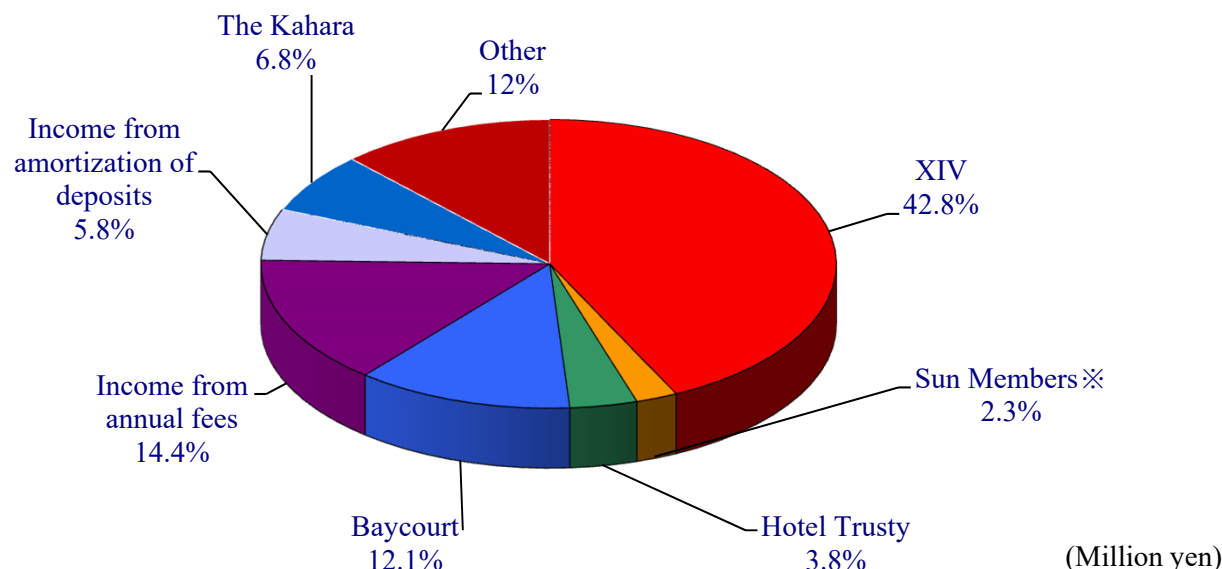
\* Progress rate of the total contract amount

## Sales of Membership Segment 3Q FY2020 (April to December)

	2020/12 results	2019/12 results	YoY Change
The KAHALA Club Hawaii	<b>0.2</b>	—	+0.2
Yokohama Baycourt Club	{ <b>13.6</b>	{ 15.1	(1.5)
Laguna Baycourt Club	<b>4.0</b>	7.8	(3.8)
XIV Rokko SV	<b>0.1</b>	0.7	(0.6)
Ashiya Baycourt Club	<b>12.2</b>	5.6	+6.6
XIV Yugawara Rikyu	<b>(0.4)</b>	1.8	(2.2)
Other Hotels	<b>4.9</b>	6.6	(1.7)
<b>Hotel Membership Total</b>	<b>34.6</b>	<b>37.6</b>	<b>(3.0)</b>
<b>Deferred Sales</b>   Yokohama Baycourt Club	{ <b>+20.1</b>	{ (8.0)	+28.1
<b>All Hotels</b>	<b>54.7</b>	<b>29.5</b>	<b>+25.2</b>
Other	<b>0.5</b>	0.5	+0.0
<b>Membership Operations Total</b>	<b>55.2</b>	<b>30.1</b>	<b>+25.2</b>

# Sales of Hotel and Restaurant Segment 3Q FY2020

(April to December)



	2020/12 results	2019/12 results
XIV	19,562	26,085
Sun Members ※	1,061	3,462
Hotel Trusty	1,725	5,294
Baycourt	5,544	7,187
Income from annual fees	6,570	6,323
Income from amortization of deposits	2,634	2,665
The Kahala	3,101	5,898
Other ※	5,511	6,690
<b>Total</b>	<b>45,710</b>	<b>63,607</b>

※ Sun Members Resorpia Hakone was closed on Nov.30,2019

※ Reclassified under extraordinary losses/income as they represent income during the facility closure period(annual fees(887) million yen,amortization of deposits (360) million yen

# Operations by category 3Q FY2020 (April to December)

## &lt;HOTEL&gt;

Number of overnight visitors

(Thousands)

	2018/12 results	2019/12 results	<b>2020/12 results</b>
XIV	1,445	1,411	<b>958</b>
Sun Members	316	308	<b>76</b>
Hotel Trusty	525	553	<b>187</b>
Baycourt	163	223	<b>172</b>

Occupancy rates

(%)

	2018/12 results	2019/12 results	<b>2020/12 results</b>
XIV	52.3	51.2	<b>35.9</b>
Sun Members	60.2	61.7	<b>17.0</b>
Hotel Trusty	91.3	88.4	<b>25.6</b>
Baycourt	48.5	45.6	<b>33.6</b>

&lt;Reference&gt;

<b>2020/12 results (operationg only)</b>
40.9
27.3
29.1
34.6

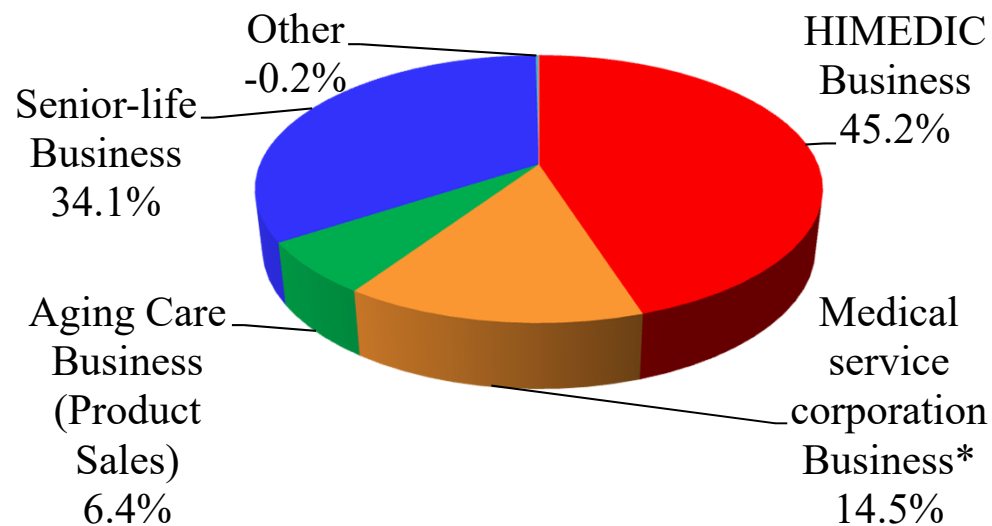
Spending per visitor

(yen)

	2018/12 results	2019/12 results	<b>2020/12 results</b>
XIV	18,990	18,482	<b>20,408</b>
Sun Members	11,232	11,228	<b>11,539</b>
Hotel Trusty	9,783	9,573	<b>9,197</b>
Baycourt	33,214	32,114	<b>32,201</b>

\* The denominator excludes the number of rooms at facilities during the closure.

# Sales of Medical Segment 3Q FY2020 (April to December)



(Millions yen)

	2020/12 results	2019/12 results
HIMEDIC Business	13,177	12,342
Medical service corporation Business*	4,216	4,617
Aging Care Business(Product Sales)	1,865	1,936
Senior-life Business	9,933	8,984
Other	(65)	1,296
<b>Total</b>	<b>29,128</b>	<b>29,177</b>

※Operation support for general medical service business, etc.

## <Senior residences and private nursing homes>

	2020/12 results	2019/12 results
Occupancy rates(%)	87.9	87.1
number of rooms	2,097	2,100

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



« Method of recording sales and income from property before hotel opening » P.30

Registration fee treated as Sales upon signing.

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

\*Disclosed "+" is in realized period. And disclosed "0" 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)		Results for FY2019 (2020/3)		Results for FY2020 (2021/3)	
	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income
Contract amount of properties before completion of construction	9.2 billion (XIV Toba Bettei) 11.8 billion		4.5 billion (XIV Rokko SV) 30.1 billion (XIV Yugawara) 12.3 billion		20.0 billion (Laguna Baycourt) 3.2 billion (XIV Rokko SV) 12.5 billion		7.2 billion (Yokohama Baycourt) 20.8 billion (Laguna Baycourt) 2.5 billion		13.0 billion (Yokohama Baycourt)		22.7 billion (Yokohama Baycourt)			
Deferred sales and income from properties	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income	Sales	Income
Yokohama Baycourt							(3.5)	(1.2)	(6.2)	(2.1)	(10.5)	(3.4)		
	Value deferred													
	Value realized												+20.1	* +7.1
Laguna Baycourt					(10.2)	(3.2)	(10.4)	(3.4)						
	Value deferred													
	Value realized								+20.5	*	+7.1			
XIV Rokko SV			(2.1)	(0.4)	(1.4)	(0.3)	(1.1)	(0.2)						
	Value deferred													
	Value realized								+4.7	*	+1.1			
Ashiya Baycourt			(15.3)	(5.4)	(6.1)	(2.2)								
	Value deferred													
	Value realized								+21.2	*	+8.2			
XIV Yugawara Rikyu	(4.7)	(1.3)	(5.5)	(1.7)										
	Value deferred													
	Value realized								+10.2	*	+3.4			
XIV Toba Bettei (From FY 2013)	(6.3)	(1.7)												
	Value deferred													
	Value realized													
<b>Value affected(Single Year)</b>	<b>(11.0)</b>	<b>(3.0)</b>	<b>(13.2)</b>	<b>(4.6)</b>	<b>(7.5)</b>	<b>(2.3)</b>	<b>+6.2</b>	<b>+3.4</b>	<b>+18.9</b>	<b>+6.1</b>	<b>(10.5)</b>	<b>(3.4)</b>	<b>+20.1</b>	<b>+7.1</b>

\* 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)		Results for FY2019 (2020/3)		Target for FY2020 (2021/3)	
	Sales	Operating income	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	159.1	11.6	165.0	11.0
(For reference)① 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	169.7	15.0	144.9	3.9
(For reference)② ①+ 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	169.7	16.0	144.9	5.8

# <Reference>

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

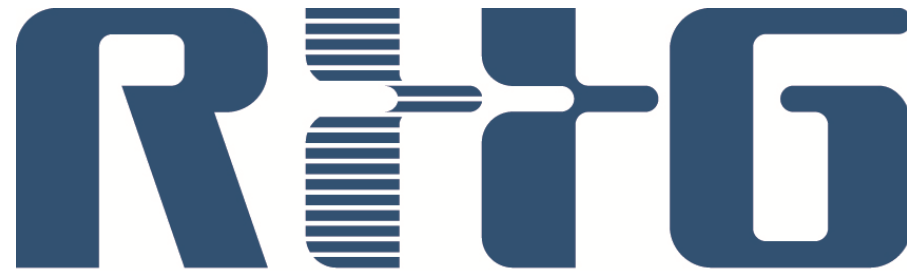
	Contract	Framework	Completion of Construction	
Total payment (100%)	60% of sale price received	80% of sale price received	100% of sale price received	
Security deposit (10%)	Member pays deposit upon signing contract			Liability incurred when contract signed*2
Registration fee (40%)	Member pays registration 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		
<b>Sale amount recorded</b>	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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**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.**